PROSPECTUS

Admission to listing and trading of up to 397,017,000 Shares

CTP N.V.

(a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, with its seat in Utrecht, the Netherlands)

This prospectus (the "**Prospectus**") has been prepared in connection with the admission to listing and trading of all ordinary shares in the capital of CTP N.V. (the "**Company**") on Euronext Amsterdam, a regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**") (the "**Admission**").

The Company is offering up to 61,017,000 newly issued ordinary shares in its share capital with a nominal value of EUR 0.16 each (the "**New Shares**", and together with the Over-Allotment Shares (as defined below), the "**Offer Shares**"). The New Shares, when issued, will be fully fungible with all ordinary shares, with a nominal value of EUR 0.16 each, in the share capital of the Company as of the date hereof (the "**Existing Shares**", and together with the New Shares, the "**Shares**") and rank *pari passu* in all respects. As of Settlement (as defined below), assuming the issue and sale of the maximum number of New Shares pursuant to the Offering, the New Shares will represent 15.4 per cent. of the Shares and, assuming the Over-Allotment Option (as defined below) is exercised in full, the Offer Shares will represent 17.7 per cent. of the Shares. See "*The Offering*".

The offering of the Offer Shares (the "**Offering**") consists solely of (i) private placements in the Netherlands to qualified investors as defined in article 2 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") ("**Qualified Investors**") and (ii) private placements to certain institutional investors in various other jurisdictions, in each case in accordance with securities laws and other rules applicable in the relevant jurisdictions. The Offer Shares are being offered: (i) within the United States of America (the "**US**" or "**United States**"), to persons reasonably believed to be "qualified institutional buyers" ("**QIBs**") as defined in, and in reliance on, Rule 144A under the US Securities Act of 1933, as amended (the "**US Securities Act**") ("**Rule 144A**") or pursuant to another exemption from, or in a transaction not subject to, the registration requirement under the US Securities Act and applicable state securities laws, and (ii) to institutional investors in various jurisdictions outside the US in "offshore transactions" as defined in, and in compliance with, Regulation S under the US Securities Act ("**Regulation S**"). As the Offering is being made on a private placement basis only, it is exempt from the obligation to publish a prospectus under the Prospectus Regulation.

As at the date of this Prospectus, there is no public market for the Shares. Application has been made to list and admit all of the Shares to trading under the symbol "CTPNV" with international securities identification number ("**ISIN**") NL00150006R6 on Euronext in Amsterdam. Subject to acceleration or extension of the timetable for the Offering, trading on an "as-if-and-when-issued" basis in the Shares on Euronext Amsterdam is expected to commence at 09:00 (Central European Time ("**CET**")) on or about 25 March 2021 (the "**First Trading Date**").

The price of the Offer Shares (the "Offer Price") is expected to be in the range of EUR 13.50 to EUR 16.00 (inclusive) per Offer Share (the "Offer Price Range")

The Offering will take place from 9:00 CET on 17 March 2021 until 14:00 CET on 24 March 2021 (the "**Offering Period**"), subject to acceleration or extension of the timetable for the Offering. The Offer Price Range is indicative only. The Offer Price and the exact number of Offer Shares offered in the Offering will be determined by the Company, based on close consultation with the Joint Global Coordinators (as defined below), after the end of the Offering Period on the basis of the bookbuilding process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Offer Shares and other factors deemed appropriate. The Offer Price and the exact numbers of Offer Shares to be sold will be stated in a pricing statement (the "**Pricing Statement**") which will be filed with the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"), and announced in a press release that will be posted on the Company's website. The Company, based on close consultation with the Joint Global Coordinators, reserves the right to change the Offer Price Range and/or increase or decrease the maximum number of Offer Shares prior to the allocation of the Offer Shares (the "**Allocation**").

Subject to acceleration or extension of the timetable for the Offering, payment (in euro) for, and delivery of, the Offer Shares ("**Settlement**") is expected to take place on or about 29 March 2021 (the "**Settlement Date**"). If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation and transactions in the Offer Shares on Euronext Amsterdam may be annulled. Any transactions in Offer Shares prior to Settlement are at the sole risk of the parties concerned. The Company, ING (as defined below) as listing and paying agent (the "**Listing and Paying Agent**"), the Underwriters (as defined below), the Financial Adviser (as defined below) and Euronext Amsterdam N.V. do not accept responsibility or liability towards any person as a result of the withdrawal of the Offering or the (related) annulment of any transactions in Offer Shares.

INVESTING IN THE OFFER SHARES INVOLVES RISKS. SEE "*RISK FACTORS*" BEGINNING ON PAGE 8 OF THIS PROSPECTUS FOR A DESCRIPTION OF CERTAIN RISKS THAT SHOULD BE CAREFULLY CONSIDERED BEFORE INVESTING IN THE OFFER SHARES.

As at the date of this Prospectus, the Company is still a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) named CTP B.V. The Company will be converted into a public limited liability company (*naamloze vennootschap*) on the Settlement Date.

Erste Group Bank AG ("**Erste Group**"), Goldman Sachs Bank Europe SE ("**Goldman Sachs**"), and Morgan Stanley Europe S.E. ("**Morgan Stanley**") are acting as joint global coordinators (in such and any other capacity, the "**Joint Global Coordinators**" and, together with Van Lanschot Kempen Wealth Management N.V. ("**Kempen & Co**") and UBS AG London Branch ("**UBS**") as joint bookrunners for the Offering, together the "**Joint Bookrunners**"). ING Bank N.V. ("**ING**") and Raiffeisen Bank International AG ("**Raiffeisen**") are acting as joint lead managers (together, the "**Joint Lead Managers**", and together with the Joint Global Coordinators and the Joint Bookrunners, the "**Underwriters**") for the Offering. N.M. Rothschild & Sons Limited ("**Rothschild & Co**") is acting as the financial adviser for the Offering (the "**Financial Adviser**"). The Underwriters and the Financial Adviser are acting exclusively for the Company and no one else in connection with the Offering, and will not regard any other person (whether or not a recipient of this document) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, or for providing advice in relation to the Offering or any transaction or arrangement referred to in this Prospectus.

The Offer Shares will be delivered in book-entry form through the facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Nederland**").

CTP Holding B.V. (the "**Sole Shareholder**") has granted an option (the "**Over-Allotment Option**"), exercisable within 30 calendar days after the First Trading Date, pursuant to which Morgan Stanley, as the stabilisation manager (the "**Stabilisation Manager**"), may require the Sole Shareholder to sell, at the Offer Price, up to 9,152,550 Existing Shares (the "**Over-Allotment Shares**") (such amount not to exceed 15 per cent. of the total number of New Shares sold in the Offering), to cover over-allotments, if any, in connection with the Offering. Such stabilisation shall be conducted in accordance with Regulation (EU) 596/2014 (the "**Market Abuse Regulation**") and Commission Delegated Regulation (EU) 2016/1052. If such stabilisation occurs, it may be undertaken on Euronext Amsterdam, in the over-the-counter markets or otherwise. Any Over-Allotment Shares made available pursuant to the Over-Allotment Option will be made available on the same terms and conditions as the New Shares being offered pursuant to the Offering, will rank *pari passu* in all respects with all other Shares (including with respect to pre-emption rights) and will form a single class with all other Shares for all purposes, including with respect to voting and for all dividends and distributions thereafter declared, made or paid on the share capital of the Company.

The Offering is only made in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made. There will be no public offering in any jurisdiction. The Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state in the US and, subject to certain exceptions, may not be offered or sold within the US. The Offer Shares are being offered and sold outside the US in reliance on Regulation S and within the US to persons reasonably believed to be QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that the Company may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A.

Each subscriber or purchaser of Offer Shares, in making a subscription or purchase, will be deemed to have made certain acknowledgments, representations and agreements as set out in "*Selling and Transfer Restrictions*". Prospective investors in the Offer Shares should carefully read "*Selling and Transfer Restrictions*".

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the

Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Underwriters have been authorised by the Company to use this Prospectus for the purposes of the Offering.

Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Financial Adviser

Joint Global Coordinators and Joint Bookrunners

Erste Group **Goldman Sachs** **Morgan Stanley**

Joint Bookrunners

Kempen & Co **UBS**

Joint Lead Managers

ING **Raiffeisen**

Financial Adviser

Rothschild & Co

This Prospectus is dated 17 March 2021.

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SUMMARY

Section A – Introduction and Warnings

This summary should be read as an introduction to the prospectus (the "**Prospectus**") relating to the admission to listing and trading of all ordinary shares in the share capital of CTP N.V. (at the date of the Prospectus still a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) named CTP B.V.) (the "**Company**") on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**") (the "**Admission**").

The Company is offering up to 61,017,000 newly issued ordinary shares in its share capital with a nominal value of EUR 0.16 each (the "**New Shares**", and together with the Over-Allotment Shares (as defined below), the "**Offer Shares**"). The offering of the Offer Shares (the "**Offering**") consists solely of (i) private placements in the Netherlands to qualified investors and (ii) private placements to certain institutional investors in various other jurisdictions. As the Offering is being made on a private placement basis only, it is exempt from the obligation to publish a prospectus under the Prospectus Regulation. The New Shares, when issued, will be fully fungible with all ordinary shares, with a nominal value of EUR 0.16 each, in the share capital of the Company as of the date hereof (the "**Existing Shares**", and together with the New Shares, the "**Shares**") and rank pari passu in all respects.

Any decision to invest in the Offer Shares should be based on a consideration of the Prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the relevant national legislation, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Shares.

The international securities identification number ("**ISIN**") of the Shares is NL00150006R6. The issuer of the Shares is the Company, and its legal and commercial name will become CTP N.V. on the Settlement Date (as defined below). The Company's legal entity identifier ("**LEI**") is 3157000YTVO4TN65UM14, its address is Van Deventerlaan 31, 3528 AG Utrecht, The Netherlands, its telephone number is +31 (0)85 27 31 294 and its website is www.ctp.eu. The Company is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 76158233.

The competent authority approving the Prospectus is the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, the "**AFM**"). The AFM's address is Vijzelgracht 50, 1017 HS Amsterdam, the Netherlands. Its telephone number is +31 (0)20 797 2000 and its website is www.afm.nl. The AFM has approved the Prospectus on 17 March 2021.

Section B – Key Information on the Issuer

Who is the issuer of the securities?

The issuer of the Shares is CTP N.V. (which at the date of the Prospectus is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*)) and is incorporated under the laws of, and domiciled, in the Netherlands and has its seat (*statutaire zetel*) in Utrecht, the Netherlands. The Company will be converted into a public limited liability company (*naamloze vennootschap*) shortly after determination of the price of the Offer Shares (the "**Offer Price**"), on the Settlement Date (as defined below). Its legal entity identifier ("**LEI**") is 3157000YTVO4TN65UM14 and it operates under the laws of the Netherlands.

The Company together with its subsidiaries within the meaning of article 2:24b of the Dutch Civil Code ("**BW**") (each a "**Group Company**", and together with the Company, the "**Group**") is the largest full-service owner-developer of prime industrial and logistics property in the CEE region[1] and management believes it is among the five largest logistics property companies in Europe based on gross lettable area ("**GLA**").[2] It primarily operates in the Czech Republic and also in Romania, Hungary and Slovakia. The Group's diversified tenant base uses its mainly class-A[3]

[1] Source: CBRE.
[2] Based on data published by the respective companies as of 30 June 2020.
[3] The term 'class-A' is used by major commercial real estate agencies and other market participants to describe properties of the highest quality in the market. The Group carries out assessments as to whether its properties meet the criteria of 'class-A' in each relevant market.

properties mainly for warehousing, light production or office space. In addition, the Group is a selective owner-developer of prime city-centre business parks providing premium office space in major cities in the Czech Republic where the Group also owns three hotels. The Group operates a tenant-led, vertically integrated business model whereby it develops its properties on land acquired through its land bank. After handover to the tenant, the Group remains the long-term owner and provider of property management services, thereby closely aligning the Group's interests with those of its tenants.

As of the date of the Prospectus, CTP Holding B.V. (the "**Sole Shareholder**") directly holds 100 per cent. of the shares in the Company and therefore is the only shareholder who holds (either directly or indirectly) a substantial interest (*substantiële deelneming*, *i.e.*, a holding of at least 3 per cent. of the share capital or voting rights) in the Company.

	Amount of Share Capital Owned		
Shareholder	**Number of Shares**	**Percentage of share capital**	**Percentage of Voting Rights**
CTP Holding B.V.	336,000,000	100	100

The following table sets forth information with respect to the size of the shareholdings of the Sole Shareholder both immediately prior to Settlement and immediately after Settlement, assuming (a) no exercise of the Over-Allotment Option and (b) exercise of the Over-Allotment Option in full, in each case assuming the issue and sale of the maximum number of New Shares and that the Sole Shareholder does not subscribe for any New Shares pursuant to the Offering.

				Shares owned immediately after Settlement					
Shareholder	**Shares owned immediately prior to Settlement**			**Without exercise of the Over-Allotment Option**			**With full exercise of the Over-Allotment Option**		
	Amount	**Share capital**	**Voting rights**	**Amount**	**Share capital**	**Voting rights**	**Amount**	**Share capital**	**Voting rights**
CTP Holding B.V.	336,000,000	100 per cent	100 per cent	336,000,000	85 per cent.	85 per cent.	326,847,450	82 per cent.	82 per cent.

The members of the board of the Company (the "**Board**", each member a "**Director**") will as of the Settlement Date be Mr. Remon Vos, Mr. Richard Wilkinson, Ms. Barbara Knoflach, Mr. Gerard van Kesteren, Ms. Susanne Eickermann-Riepe and Mr. Pavel Trenka. The Company's statutory auditors are KPMG Accountants N.V.

What is the key financial information regarding the issuer?

The tables below set out summary financial information of the Group for the periods indicated. Unless otherwise indicated, it has been derived from the audited consolidated financial statements of the Company for the extended period from 1 January 2019 to 31 December 2020, which comprise the consolidated statements of financial position as of 31 December 2020 and 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 and the year ended 31 December 2018, and the related notes to the consolidated financial statements. In addition, the Group included in these financial statements also consolidated statements of financial position as of 31 December 2019 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the periods 1 January 2019 to 31 December 2019 and 1 January to 31 December 2020. However, such information is not audited.

Summary consolidated statement of profit and loss and comprehensive income

	Year ended 31 December		
	2020	**2019**	**2018**
	(in EUR thousands, unless otherwise indicated)		
Rental income	291,935	257,986	241,960
Service charge income	25,882	22,379	19,990
Property operating expenses	(37,148)	(40,575)	(29,799)
Net rental income	280,669	239,790	232,151
Hotel operating revenue	5,752	17,312	16,805
Hotel operating expenses	(5,897)	(11,545)	(10,681)
Net operating income from hotel operations	(145)	5,767	6,124
Income from development activities	49,411	4,483	1,429

Expenses from development activities	(26,984)	(3,927)	(1,343)
Net income from development activities	22,427	556	86
Total revenues	**372,980**	**302,160**	**280,184**
Year on year revenue growth	*22.9%*	*7.8%*	-
Net valuation result on investment property	152,162	406,775	239,380
Profit/Loss before finance costs	391,886	617,899	482,403
Profit/Loss before income tax	290,425	500,709	422,178
Profit for the period	**252,524**	**392,161**	**361,508**
Total comprehensive income for the year	253,650	397,878	366,443
Profit attributable to combined equity holders of the Company	252,118	392,175	364,900
EPRA Earnings per share[4] (*in EUR*)	0.46	0.32	0.40

Summary consolidated statement of financial position

	As of 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Non-current assets	5,943,664	5,357,491	4,510,984
Current assets	502,697	168,505	126,376
Total assets	**6,446,361**	**5,525,996**	**4,637,360**
Total equity attributable to owners of the Company	2,263,202	2,042,223	960,072
Non-controlling interest	1,031	625	639
Total equity	**2,264,233**	**2,042,848**	**960,711**
Non-current liabilities	3,823,874	3,060,057	3,371,928
Current liabilities	358,254	423,091	304,721
Total liabilities	**4,182,128**	**3,483,148**	**3,676,649**
Total equity and liabilities	**6,446,361**	**5,525,996**	**4,637,360**
Net financial indebtedness[5]	2,975,117	2,613,992	2,083,305

Summary consolidated statement of cash flows

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Cash flows from (used in) operating activities	185,430	123,958	152,914
Cash flows from (used in) investing activities	(469,121)	(382,250)	(7,758)
Cash flows from (used in) financing activities	641,123	276,077	(128,304)
Cash and cash equivalents at end of year	419,141	63,821	46,284

No pro forma financial information has been included in the Prospectus.

What are the key risks that are specific to the issuer?

The following is a selection of the key risks that relate to the Group's industry and business, operations, financial conditions, capital structure, and structure of the Group, based on the probability of their occurrence and the expected magnitude of their negative impact. In making this selection (as with the selection further below on key risks specific to the Shares), the Group has considered circumstances such as the probability of the risk materializing on the basis of the current state of affairs, the potential impact that the materialisation of the risk could have on the Group's business, financial condition, results of operations and prospects, and the attention that management of the Group would on the basis of the current expectations have to devote to these risks if they were to materialise. Investors should read, understand and consider all risk factors, that are material and which should be read in their entirety before making an investment decision to invest in the Offer Shares.

- The recent global coronavirus pandemic has led to significant volatility in financial and other markets and could harm the Group's business and results of operations.

[4] Defined EPRA Earnings (see "*Dividend Policy*" below) based upon the number of shares as at 31 December 2020.

[5] Calculated as total long-term and short-term interest-bearing loans and borrowings and bonds issued minus cash and cash equivalents.

- The Group could experience a lower demand for its industrial and logistics property and a significant decline in occupancy rates may have an adverse impact on the Group's cash flows.
- The Group is subject to the risk of tenants defaulting on their lease obligation or failing to renew their leases.
- The Group may not be able to successfully implement its key strategies or manage its growth.
- The Group's strategy envisions potential additional selective property acquisitions, but the Group may be unable to acquire the properties on acceptable terms, identify all potential liabilities associated with them or complete the acquisitions.
- The Group's financial performance relies on its ability to attract and retain tenants, which may suffer as a result of increased competition from other property owners, operators and developers.
- The Group is exposed to the risk of cost overruns, delays or other difficulties in relation to its development activities.
- The performance of the Group's property portfolio is exposed to concentration risks.
- The Group is dependent on its chief executive officer, chief financial officer as well as other senior executives and other qualified personnel and may not be able to attract and retain them.
- The Group has significant investments and operations in less mature markets, which tend to have higher volatility and be subject to greater legal, economic, fiscal and political risks.
- The Group's substantial leverage and debt service obligations could adversely affect its business and prevent it from fulfilling its obligations with respect to its indebtedness, and the Group may not be able to successfully renew or refinance such indebtedness as it matures, or may only be able to renew or refinance its indebtedness on less favourable terms.
- The Group is subject to various regulations in the countries in which it operates and is exposed to the risks resulting from changes to the regulatory environment, or a failure to comply with applicable laws, regulations, licensing requirements and codes of practice.

Section C – Key Information on the Securities

What are the main features of the securities?

The New Shares are issued by the Company in its share capital with a nominal value of EUR 0.16 each. The ISIN of the Shares is NL00150006R6. The Offer Shares (as defined below) are denominated in and will trade in euro. The Company will offer up to 61,017,000 New Shares. As of Settlement, assuming the issue and sale of the maximum number of New Shares pursuant to the Offering, the New Shares will represent 15.4 per cent. of the Shares and, assuming the Over-Allotment Option (as defined below) is exercised in full, the Offer Shares will represent 17.7 per cent. of the Shares. References to the "**Articles of Association**" hereafter will be to the Company's articles of association as they will read after the conversion into a public limited liability company on the Settlement Date (as defined below). The Shares carry dividend rights. Each Share confers the right to cast one vote in the general meeting of the Company (the "**General Meeting**"). There are no restrictions on voting rights.

Upon issue of Shares or grant of rights to subscribe for Shares, each holder of Shares (a "**Shareholder**") shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her Shares. Shareholders do not have pre-emptive rights in respect of Shares issued (i) to employees of the Company or of a Group Company; (ii) against payment other than in cash; and (iii) to a person exercising a previously acquired right to subscribe for Shares. Pre-emptive rights may be restricted or excluded by a resolution of the General Meeting.

There are no restrictions on the transferability of the Shares in the Articles of Association. However, the Offering to persons located or resident in, or who are citizens of, or who have a registered address in countries other than the Netherlands, and the transfer of Offer Shares into jurisdictions other than the Netherlands may be subject to specific regulations or restrictions.

In the event of insolvency, any claims of the Shareholders are subordinated to those of the creditors of the Company. This means that an investor could potentially lose all or part of its invested capital.

Dividend policy

The Company intends to retain part of its future profits in order to fund the ongoing growth and development of the Company's business, and, therefore, targets paying between 70 per cent. and 80 per cent. of Company specific

Adjusted Earnings[6] in dividends to its Shareholders in the foreseeable future. It is intended that dividends will be paid semi-annually, provided that the conditions of Dutch law and the relevant provisions in the Articles of Associations are met. The Company intends to operate a scrip dividend programme, pursuant to which Shareholders will have an option to receive additional Shares instead of a cash dividend. It is intended that the first interim dividend, related to the six months ended 30 June 2021, will be made available in September 2021.

Where will the securities be traded?

Prior to the Offering, there has been no public market for the Shares. Application has been made to list all Shares under the symbol "CTPNV" on Euronext Amsterdam. Subject to acceleration or extension of the timetable for the Offering, trading in the Shares on Euronext Amsterdam is expected to commence, on "as-if-when-issued" basis, on or about 25 March 2021 (the "**First Trading Date**").

What are the key risks that are specific to the securities?

The following is a selection of the key risks relating to the Shares, based on the probability of their occurrence and the expected magnitude of their negative impact. Investors should read, understand and consider all risk factors that are material and which should be read in their entirety, in "*Risk Factors*" beginning on page 8 of this Prospectus before making an investment decision to invest in the Offer Shares.

- The payment of future dividends will depend on the Group's financial condition and results of operations, as well as on the Group's operating subsidiaries' distributions to the Company.
- Future issuances or sales of Shares or debt or equity securities convertible into Shares by the Company or future sales of Shares by Directors or the Sole Shareholder may adversely affect the market price of the Shares, and any future issuance of Shares may dilute investors' shareholdings.
- The Shares have not been publicly traded, and there is no guarantee that an active and liquid market for the Shares will develop.

Section D – Key Information on the Offering

Under which conditions and timetable can I invest in this security?

The Offering. The Company is offering up to 61,017,000 New Shares. The Offering consists solely of: (i) private placements in the Netherlands to qualified investors as defined in article 2 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") ("**Qualified Investors**") and (ii) private placements to certain institutional investors in various other jurisdictions. The Offer Shares are being offered: (i) within the United States of America (the "**US**"), to persons reasonably believed to be "qualified institutional buyers" ("**QIBs**") as defined in, and in reliance on, Rule 144A under the US Securities Act of 1933, as amended (the "**US Securities Act**"), and (ii) to institutional investors in various jurisdictions outside the US in "offshore transactions" as defined in, and in compliance with, Regulation S under the US Securities Act. The Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made.

Over-allotment option. The Sole Shareholder has granted an option (the "**Over-Allotment Option**"), exercisable up to 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager (as defined below) may require the Sole Shareholder to sell at the Offer Price, up to 9,152,550 Existing Shares (the "**Over-Allotment Shares**") (such amount not to exceed 15 per cent. of the total number of New Shares sold in the Offering), to cover over-allotments, if any, in connection with the Offering.

Offering period. Prospective investors may subscribe for Offer Shares during the period commencing at 9:00 Central European Time ("**CET**") on 17 March 2021 and ending at 14:00 CET on 24 March 2021 (the "**Offering Period**"), subject to acceleration or extension of the timetable for the Offering.

Offer price and number of Offer Shares. The Offer Price is expected to be in the range of EUR 13.50 to EUR 16.00 (inclusive) per Offer Share (the "**Offer Price Range**"). The Offer Price and the exact number of Offer Shares will be determined on the basis of a book building process. The Offer Price may be set within, above or below the Offer Price Range. The Offer Price Range is an indicative price range. The Offer Price and the exact number of Offer Shares offered will be determined by the Company, based on close consultation with the Joint Global Coordinators after the

[6] Defined as the profit for the period as per income statement (International Financial Reporting Standards as adopted by the European Union) adjusted for the after (deferred) tax effect from the exclusion of the net valuation result, the change in the fair value of financial instruments and associated close-out costs, result from disposals of investment properties and other interests and foreign currency translation result adjusted for the after (deferred) tax effect from the adjustment for rental income included in 2018 for sold portfolio to Deka, impairment/depreciation on hotel portfolio and acquisitions, foreign exchange gains/losses related to company restructuring and associated costs with establishment capital market structure.

end of the Offering Period, including any acceleration or extension, on the basis of the book building process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Offer Shares, and other factors deemed appropriate. The Offer Price, the exact numbers of Offer Shares to be sold and the maximum number of Over-Allotment Shares will be stated in a pricing statement which will be published through a press release that will also be posted on the Company's website and filed with the AFM.

The Offer Price Range may be changed. The maximum number of Offer Shares may be increased prior to the allocation of the Offer Shares (the "**Allocation**"). Upon a change of the number of New Shares, references to New Shares in the Prospectus should be read as referring to the amended number of New Shares and references to Over-Allotment Shares should be read as referring to the amended number of Over-Allotment Shares.

Allocation. The Allocation is expected to take place after termination of the Offering Period on or about 25 March 2021, subject to acceleration or extension of the timetable for the Offering. After the end of the Offering Period, all purchase orders from Qualified Investors in the Netherlands and from institutional investors in other jurisdictions will be evaluated according to the prices offered and certain qualitative criteria such as: the time of purchase order, the investor type and investment horizons of the respective Qualified Investors and institutional investors, qualitative feedback during marketing process, focus on the industry and/or the region in which the Company operates as well as other criteria that allow a high-quality investor base. Allocation to investors who applied to subscribe for Offer Shares will be determined by the Company, based on close consultation with the Joint Global Coordinators, and full discretion will be exercised as to whether or not and how to allot the Offer Shares. There is no maximum or minimum number of Offer Shares for which prospective investors may subscribe and multiple (applications for) subscriptions are permitted. In the event that the Offering is over-subscribed, investors may receive fewer Offer Shares than they applied to subscribe for.

Payment. Payment (in euros) for and delivery of the Offer Shares will take place on the settlement date, which is expected to be on or about 29 March 2021, subject to acceleration or extension of the timetable for the Offering (the "**Settlement Date**"). Taxes and expenses, if any, must be borne by the investor. Investors must pay the Offer Price in immediately available funds in full in euro on or before the Settlement Date.

Delivery of Shares. The Offer Shares will be delivered in book-entry form through the facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation. Any dealings in Shares prior to Settlement are at the sole risk of the parties concerned.

Underwriters. Erste Group Bank AG, Goldman Sachs Bank Europe SE, and Morgan Stanley Europe S.E. are acting as joint global coordinators (in such and any other capacity, the "**Joint Global Coordinators**" and, together with Van Lanschot Kempen Wealth Management N.V. and UBS AG London Branch as the joint bookrunners for the Offering, together the "**Joint Bookrunners**"). ING Bank N.V. ("**ING**") and Raiffeisen Bank International AG are acting as joint lead managers (together, the "**Joint Lead Managers**"). The Joint Global Coordinators, the Joint Bookrunners and the Joint Lead Managers are acting as underwriters in the Offering (the "**Underwriters**").

Listing and Paying Agent. ING is the listing and paying agent with respect to the Shares on Euronext Amsterdam.

Stabilisation Manager. Morgan Stanley is the stabilisation manager (the "**Stabilisation Manager**") with respect to the Shares.

Timetable. Subject to acceleration or extension of the timetable for, or withdrawal of, the Offering, the timetable below sets forth certain expected key dates for the Offering.

Event	Expected Date	Time CET
Start of Offering Period	17 March 2021	9:00
End of Offering Period	24 March 2021	14:00
Pricing and Allocation	25 March 2021	
Admission and commencement of trading on an "as-if-and-when-issued" basis on Euronext Amsterdam	25 March 2021	9:00
Settlement (payment and delivery)	29 March 2021	

The dates, times and periods given in the timetable and throughout the Prospectus may be adjusted. If this is the case, this will be made public through a press release, which will also be posted on the Company's website. Any other material alterations will be published through a press release that will also be posted on the Company's website and (if required) in a supplement to the Prospectus that is subject to the approval of the AFM.

Any extension of the timetable for the Offering will be published in a press release before the end of the Offering Period, provided that any extension will be for a minimum of one full day. Any acceleration of the timetable for the

Offering will be published in a press release before the proposed end of the accelerated Offering Period. In any event, the Offering Period will be at least six business days.

Dilution. Assuming the issuance of the maximum number of New Shares under the Offering, such issuance will result in the Company's share capital increasing by 18.2 per cent. Accordingly, the Sole Shareholder will suffer an immediate dilution as a result of the Offering of 15.4 per cent. (assuming that the Company issues the maximum number of New Shares under the Offering).

Estimated expenses in relation to the Offering and the Admission. The estimated expenses, commissions and taxes payable by the Company amount to approximately EUR 35.75 million and the expenses, commissions and taxes payable by the Sole Shareholder amount to approximately EUR 3.75 million.

Why is the prospectus being produced?

Reasons for the admission and offering. The Admission is expected to raise the Company's profile with the international investment community, brand recognition and credibility and will also provide additional financial flexibility and diversity through access to a wider range of capital-raising options. In addition, the Admission will create a market in the Shares for the future shareholders of the Company.

The Offering is being conducted to facilitate the sale of the New Shares and raise capital by the Company.

Use of proceeds. The Company will receive the net proceeds from the sale of the New Shares and the Sole Shareholder will receive the net proceeds from the sale of Over-Allotment Shares, if any. Assuming the maximum number of New Shares are issued and sold by the Company, that all of the Offer Shares are sold at an Offer Price set at the mid-point of the Offer Price Range and that the Over-Allotment Option is exercised in full, the net proceeds from the Offering are expected to amount to EUR 995.5 million, of which the Company will receive EUR 864.3 million and the Sole Shareholder will receive EUR 131.3 million.

The Company intends to use the net proceeds received by it from the Offering for the following purposes and in the following order: (i) approximately 50 per cent. for financing of the Group's development projects and related construction activities; (ii) approximately 25 per cent. for potential property acquisitions; and (iii) the remaining part for debt repayment.

Underwriting agreement. The Company, the Sole Shareholder and the Underwriters have entered into an underwriting agreement on the date of this Prospectus (the "**Underwriting Agreement**") pursuant to which, on the terms and subject to the conditions contained therein, including the entry into of the pricing agreement between the Company, the Sole Shareholder and the Underwriters following the completion of the bookbuilding of the Offering (the "**Pricing Agreement**"), the Underwriters will, on a several and not a joint or a joint and several basis, agree to use their reasonable endeavours to procure subscribers for the New Shares or, failing which to subscribe for those New Shares themselves, and the Company will agree to issue the New Shares at the Offer Price to subscribers procured by the Underwriters or, failing which, to the Underwriters themselves.

The Underwriting Agreement provides that the obligations of the Underwriters to use their respective reasonable endeavours to procure subscribers for or, failing which, to subscribe for themselves (on a several and not a joint or joint and several basis) the number of New Shares set forth in the Pricing Agreement, are subject to certain customary closing conditions, including there having occurred no material adverse change in relation to the Group between the date of the Underwriting Agreement and Settlement. In addition, upon the occurrence of specific events, such as conditions precedent not being satisfied or waived, the Underwriting Agreement may cease to have effect immediately at any time prior to Settlement and/or the Underwriters may elect to terminate the Underwriting Agreement at any time prior to Settlement (or thereafter, in respect of the Over-Allotment Option only).

Most material conflicts of interest. Certain of the Underwriters and/or their respective affiliates are currently engaged, have in the past been engaged, and may in the future, from time to time, engage in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company or any parties related to the Company, in respect of which they have received, and may in the future receive, customary fees and commissions.

Additionally, the Underwriters may, in the ordinary course of their business, in the future hold the Company's securities for investment. In respect of the aforementioned, the sharing of information is generally restricted for reasons of confidentiality by internal procedures or by rules and regulations.

As a result of acting in the capacities described above, the Underwriters may have interests that may not be aligned, or could potentially conflict, with the interests of investors or with the interests of the Company.

RISK FACTORS

Before investing in the Shares, prospective investors should carefully consider the risks and uncertainties described below, together with the other information contained or incorporated by reference in this Prospectus. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, could have a material adverse effect on the Group's (as defined below) business, results of operations, financial condition and prospects. In that event, the value of the Shares could decline, and an investor might lose part or all of its investment.

*All of these risk factors and events are contingencies, which may or may not occur. The Company together with its subsidiaries within the meaning of article 2:24b of the Dutch Civil Code ("**BW**") (each a "**Group Company**", and together with the Company, the "**Group**") may face a number of these risks described below simultaneously, and one or more risks described below may be interdependent. Where this is the case, interdependent risk factors contain a description of the interdependence. In accordance with article 16 of the Prospectus Regulation, the most material risk factors have to be presented first in each category. The order of categories in which risks are presented and order of subsequent risk factors in each category is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks to the Group, or of the scope of any potential harm to the business, results of operations, financial condition and prospects of the Group.*

In selecting and ordering the risk factors, the Group has considered circumstances such as the probability of the risk materializing on the basis of the current state of affairs, the potential impact which the materialisation of the risk could have on the Group's business, financial condition, results of operations and prospects, and the attention that management of the Group would on the basis of current expectations have to devote to these risks if they were to materialise.

Furthermore, although the Group believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Group's business and the Shares, they are not the only risks and uncertainties relating to the Group and the Shares. Other risks, facts or circumstances not presently known to the Group, or that the Group currently deems to be immaterial, could, individually or cumulatively, prove to be important and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. The value of the Shares could decline as a result of the occurrence of any such risks, facts or circumstances, or as a result of the events or circumstances described in these risk factors, and investors could lose part or all of their investment.

Prospective investors should carefully read the entire Prospectus and should reach their own views before making an investment decision with respect to any Shares. Furthermore, before making an investment decision with respect to any Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers, and carefully review the risks associated with an investment in the Shares and consider such an investment decision in light of their personal circumstances.

RISKS RELATING TO THE ISSUER

Risks related to the Group's business and industry generally

The recent global coronavirus pandemic has led to significant volatility in financial and other markets and could harm the Group's business and results of operations.

The outbreak of the strain of a novel coronavirus disease SARS-CoV-2 ("**COVID-19**") pandemic together with measures aimed at mitigating the further spread of COVID-19, such as restrictions on travel, imposition of quarantines, border closures, prolonged closures of workplaces, curfews and other social distancing measures, have had a significant adverse effect on the global economy and international financial markets and may have a material adverse effect on the Group's business.

A number of factors that are important for the Group to successfully conduct its business could be materially affected by the COVID-19 pandemic and its long-term consequences. Several countries have introduced curfews to harness the spread of COVID-19, cancelling public events, closing restaurants and shops and forbidding their citizens to gather and move around without a good reason. For instance, all the countries in which the Group operates, including the Czech Republic, Hungary, Romania and Slovakia, among other countries, implemented significant lockdown or curfew measures first in the spring of 2020 and then in the autumn of 2020 as the second wave of COVID-19 started to gain momentum. These and similar social distancing measures implemented by countries around the world to slow the spread of COVID-19 have resulted in an economic recession in many countries, including those in which the Group operates, and could result in a severe or prolonged global recession and financial crisis. According to the World Bank, the global economy fell by 4.3 per cent. in 2020 and as of January 2021 is forecasted to grow by 4.0 per cent. in 2021, and according to European Commission's economic forecast, the EU's economy fell by 7.4 per cent. in 2020 and is forecasted to grow by 4.1 per cent. in 2021 and by 3.0 per cent. in 2022.[7] As a result, many businesses could be forced to close permanently, leading to increases in unemployment. Such developments could have a number of effects on the Group's business, including the following:

- some tenants in the Group's properties could find it increasingly difficult to pay rent, thereby leading to an increase in late payments and a consequential reduction of the Group's cash flow;
- other tenants in the Group's properties may go bankrupt or may no longer be able to afford to pay rent at all and be forced to move out, thereby further reducing the Group's revenue streams. As a result, the Group may be confronted with having lower occupancy levels or having to lower rental prices at its properties;
- the COVID-19 pandemic may have a negative impact on rental and sale prices and overall demand for commercial real estate, which may also affect the Group's cash flow;
- the Group's development and construction activities may be negatively affected due to, among other things, delays in performance of the Group's contractors or their unavailability in general, as well as delays in obtaining necessary permits and authorisations as a result of decreased capacity of the relevant governmental and other authorities, agencies and offices; and
- the Group's income from hotel operations, which accounted for 1.5 per cent. of the Group's total revenues for the year ended 31 December 2020, depends on corporate spending and tourism, which has been and could be further materially impacted by a significant drop in demand, directly impacting the occupancy and therefore profitability of the Group's hotel portfolio. As part of the lockdown and curfew measures introduced to slowdown the spread of COVID-19, hotels in the Czech Republic, including the hotels in the Group's hotel portfolio, were ordered to close for several weeks in the spring of 2020 and then again in the autumn and winter of 2020. As a result of these and comparable measures in other countries in which the Group operates, the Group's net income from hotel operations in the year ended 31 December 2020 was EUR (145) thousand as compared to EUR 5,767 thousand in the year ended 31 December 2019, representing a decrease of approximately 102.5 per cent. There is no guarantee that similar measures negatively impacting the profitability of the *Group's* hotel portfolio will not be implemented in the future.

Further, the governments of several countries in which the Group operates have enacted legislative amendments as a result of which landlords can no longer terminate lease agreements under certain circumstances. See "—*Legal and regulatory risks—The Group's contractual rights under its leases may be limited by law*" below.

Up to the date of this Prospectus, the Group has not experienced any significant delays or variations in rental collections from its properties as a result of COVID-19, irrespective of the tenants' industry or sector. Rental Collection levels in January and February 2021 remained similar to those in the year ended 31 December 2020 and 2019 (above 98 per cent.) and in line with historically bad debt ratios of below 1 per cent. over the last three years. Up to the date of this Prospectus, the Group's construction and development projects have not experienced any major disruptions due to COVID-19 and the Group's financing partners have continued to provide the

[7] Source: https://openknowledge.worldbank.org/bitstream/handle/10986/34710/9781464816123-Ch01.pdf and https://ec.europa.eu/commission/presscorner/detail/en/ip_20_2021

Group with project finance as the Group has development funding secured for almost all of its planned projects in 2021.

However, as of the date of this Prospectus, further development and the extent of the long-term impact of the COVID-19 pandemic on the Group is highly uncertain and depends on a number of factors, such as the duration and scope of the pandemic and the suitability and effectiveness of measures adopted by authorities in response to it. The continued spread of the COVID-19 pandemic and the occurrence or escalation of one or more of the above developments may have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group could experience a lower demand for its industrial and logistics property and a significant decline in occupancy rates may have an adverse impact on the Group's cash flows.

The Group's primary business activity is owning and managing industrial and logistics property. As such, it derives its income mainly from rental payments received from the tenants occupying its properties. As of 31 December 2020, the Group's core Occupancy Rate was 94 per cent. of its gross lettable area ("**GLA**"). There can be no assurance that the Group will be able to maintain its current occupancy rates, particularly by retaining its largest tenants, and rental levels and lease terms of its properties in the future. In the year ended 31 December 2020, the Group's top five, top 10 and top 30 tenants, based on GLA leased, amounted to 8 per cent., 15 per cent. and 30 per cent., respectively, of the total Gross Rental Income received by the Group.

The demand for commercial properties and the ability of such properties to generate income and sustain market value is based on a number of factors, including, among other things, overall conditions in the European, national and regional economies, such as growth in gross domestic product ("**GDP**"), inflation or deflation, investor sentiment, consumer confidence, unemployment rates, availability and cost of credit, liquidity of financial markets and changes in interest rates or yield required by investors in income-producing commercial properties, and specifically by the condition of the segments of the economy in which the Group's tenants operate, as these factors largely determine tenants' demand for the Group's properties and their ability to afford rents (see "*—Risks related to the countries in which the Group operates—The Group is exposed to economic conditions and other events or circumstances that affect the markets in which the Group operates*" below).

Factors affecting occupancy rates of the Group's property may include, but are not limited to, the quantity and quality of competing industrial and logistics properties in areas in which the Group operates (see "*—The Group's financial performance relies on its ability to attract and retain tenants, which may suffer as a result of increased competition from other property owners, operators and developers*" below), the age, quality and design of a property relative to comparable properties in the local market, the property's location relative to transportation infrastructure and urban centres, the standard of maintenance and upkeep of a property including any work done by third-party service providers, renovation work required on vacant units before they are re-let, and perceptions regarding the safety, convenience and attractiveness of the property. In addition, demand for the Group's property, and its industrial property in particular, is based on the access of such property to key transportation hubs and on the volume and continued importance of road transportation and logistics services for the Group's current and prospective tenants. Further, occupancy rates may be affected by local balance between supply and demand for industrial and logistics property as the Group constructs, and plans to continue constructing in the future, new industrial and logistics parks. If demand for such properties decreases, the Group may be unable to rent or sell its properties at a commercially favourable price or at all.

Any deterioration in demand may result in increased pressure to offer new and renewing tenants financial and other incentives, which in turn may lead to an overall negative impact on net rental income, operating expenses as well as market value of the Group's properties. As a result, the Group's ability to obtain discretionary financing in a timely manner or at all may also be negatively affected. Failure of the Group to sustain adequate occupancy rates could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is subject to the risk of tenants defaulting on their lease obligation or failing to renew their leases.

If any of the Group's tenants default on their lease obligations, default on a commitment to occupy a 'pre-lease' development project, exercise a break clause or other termination rights in their lease or fail to renew their lease on expiration, whether by reason of the tenant facing financial difficulties, deciding to work with a competitor of the Group, experiencing a change in their warehousing needs or otherwise, the Group may be unable to find a replacement tenant on a timely basis, during which time some of its properties or leasable space within them may remain vacant. During the period of time over which properties or leasable space remain vacant, the Group will bear all costs for maintaining the relevant property or space, including lighting, security, electricity, insurance, service charge liabilities and similar costs, and will not be able to recharge those costs to the tenants.

In addition, if and when the Group locates a new tenant for an empty property or space, such tenants may not be of equivalent standing as the Group's existing tenants or the Group may not be able to agree rental terms which are equal to, or on equally favourable terms to, those under the existing lease. These risks may be exacerbated in respect of tenants occupying multiple properties or those occupying bespoke or build-to-suit properties which may be difficult to re-let without further expenditure required to make the property suitable for a new prospective tenant.

Income from, and the market value of, the Group's properties would be adversely affected if a material number of its tenants were unable to meet their lease obligations, were to become insolvent, or if, for any other reason, rental payments could not be collected. This could have a material adverse effect on the Group's ability to maintain rental income and recharge certain fixed costs which it is obligated to pay regardless of whether or not it receives payments from its tenants to fund such expenses. As such, it could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group may not be able to successfully implement its key strategies or manage its growth.

The financial performance and success of the Group depend in large part on its ability to successfully implement its key strategies. As of the date of this Prospectus, the Group plans to primarily focus on organic growth of its property portfolio in its current markets to achieve more than 7.5 million square metres of GLA under management by end of 2021 and 10 million square metres of GLA under management by 2023, primarily by constructing new properties on its owned land bank, continuous improvement and active management of its property portfolio, sustainability, disciplined approach to financial profile and financial policy, and selective strategic expansion to new markets where it currently has no or limited presence, primarily to neighbouring countries such as Austria, Poland, Serbia and Bulgaria and prospectively also to Germany, Estonia, Lithuania, Latvia, Greece, the Netherlands, Italy, France, the United Kingdom or Spain. There is no guarantee that the Group will be able to successfully implement any of its key strategies, realise any benefit from the same or be able to improve its results of operations. Implementation of the Group's key strategies could be affected by a number of factors beyond the Group's control, such as increased competition, legal and regulatory developments, general economic conditions or an increase in operating costs.

The Group expects its future growth to place significant demands on its management, operations and other resources. Challenges it may face in achieving future growth include continuing to improve its managerial, technical and operational knowledge, implementing an effective management information system, continuing to recruit and train managerial and other professional staff to satisfy its business requirements, obtaining sufficient financial resources to fund its on-going operations and its future growth, managing relationships with a greater number of tenants, suppliers, contractors, lenders and other third parties, and strengthening its internal control and compliance functions to ensure that the Group is able to comply with its regulatory and contractual obligations.

There can be no assurance that the Group will not experience issues, such as capital constraints, delays relating to regulatory and contractual compliance obligations, operational difficulties at new or existing locations or geographies, difficulties in integrating new acquisitions into the Group's existing business and operations and managing the training of an increasing number of personnel to manage and operate the expanded business. Any failure to successfully implement the Group's key strategies or manage the impact of its growth on its operational and managerial resources and control systems could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's strategy envisions potential additional selective property acquisitions, but the Group may be unable to acquire the properties on acceptable terms, identify all potential liabilities associated with them or complete the acquisitions.

As part of its business strategy, the Group plans to continue to expand its property portfolio through selective strategic and complementary acquisitions, including land for its land bank. Its acquisition strategy includes identifying properties that meet the Group's investment criteria and acquiring such properties on terms acceptable to the Group. However, such portfolios or properties may be unavailable or available only on unfavourable terms or at unattractive prices. Additionally, the supply of real estate portfolios might be limited, for example due to fewer sales of real estate portfolios by municipalities or by private sellers. Constricted supply could increase competition for acquisition of properties that would be suitable for the Group and could also motivate potential sellers to sell properties in an auction process in which the Group's competitors may prevail. All this may result in a price increase or even a complete unavailability of suitable properties that are in the strategic focus of the Group.

The acquisition of real estate requires, among other things, an analysis of the factors that create value, and such analysis is subject to a wide variety of factors and subjective assessments and is based on various assumptions. It is possible that the Group may overestimate the potential of target properties when making acquisition decisions and cost savings and synergies may not develop or that it may base its decision on inaccurate information or assumptions that turn out to be incorrect. The Group may also overestimate the likelihood of obtaining the required government permits and approvals for development properties. Such errors may only become apparent at a late stage and force the Group to recognise fair value losses in its statement of income. Any inability or failure to identify and successfully acquire attractive properties at commercially acceptable terms could limit the Group's ability to grow its business effectively and could have an adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's property acquisitions involve risks that may not be uncovered by prior due diligence.

Before acquiring a property, the Group typically performs due diligence in order to evaluate the property and identify connected risks. When performing due diligence, the Group typically relies on external experts with the aim to achieve maximum scrutiny of the acquired property. In situations when the Group is acquiring a smaller and less material property, the Group typically relies on its internal team to perform due diligence. However, the Group cannot guarantee that its due diligence when purchasing a property will identify all of the potential liabilities and risks related to the property or that it will have recourse to the seller of the property for the non-disclosure of such liabilities or risks. In addition, when conducting due diligence, it may not even be possible to identify all documents that should be reviewed. Due diligence in any scope thus in general cannot identify all risks. There is a risk that the seller may not provide, or be in possession of, all the required information and documents and this may lead to the materialisation of risks not identified during the due diligence. These risks, among others, relate to title and security searches, material contracts (such as access to the site and connection to utilities), rights of third parties, litigation, management of the property, tax issues, planning permissions and conditions, technical status of the building including permits, licences, fire and health and safety certificates and the compliance with related regulations as well as restrictions in connection with historic preservation and environmental laws.

Specifically, the legal framework in some of the countries in the Central and Eastern Europe ("**CEE**") region in which the Group operates is at a different stage of development compared to countries with established market economies and is typically characterised by a lack of an institution history and lower legal certainty. In this context, it may be particularly difficult to fully verify title and uncover other legal risks in relation to an evaluated property as part of the due diligence in post-communist countries, such as Romania and Slovakia. Due to the mass expropriation conducted during the former communist regime, several pieces of legislation were enacted after the fall of communism aiming at the restitution of properties to their former owners or their successors. However, the lack of complete historical documentation and possible irregularities in the restitution process typically make the verification of title history from current title up to the initial owner especially challenging and such irregularities, if any, can lead to disputes regarding the ownership of such property. This risk may be further exacerbated in the event the Group decides to expand into new markets where it has no prior experience. In addition, legal systems in the CEE region are also rather formalistic and even a formal defect in the acquisition process and historical title chain may have a negative impact on the due title of the Group to its properties.

When the Group does not acquire a property directly but rather by acquiring the company that owns such property, additional risks arising from, among other things, the target company's corporate structure, financial and tax liabilities may arise and may not be identified, sufficiently or at all, by the Group's due diligence.

Although the properties acquired by the Group are also inspected prior to purchase in the course of a technical due diligence investigation, it is possible that damage or quality defects could remain entirely undiscovered, or that the scope of such problems may not be fully apparent in the course of the due diligence investigation. As a result, the Group may be subject to claims due to such defects or problems and the Group may be exposed to substantial undisclosed or unascertained liabilities relating to properties that were incurred or that arose prior to the completion of the Group's acquisition of such properties. Although the Group may obtain contractual protection against such claims and liabilities from the seller (for instance, by way of indemnity or warranty claims), such contractual protection may not be enforceable or effective. Because sellers typically exclude liability for hidden defects and are also typically not liable for defects that could have been identifiable in the course of the technical due diligence, the Group may not be able to claim under any indemnity for any such loss incurred by the Group. Even where liability for hidden defects has not been fully excluded, it is possible that the representations and warranties made in the purchase agreement with respect to the property fail to cover all risks and potential problems relating to the acquisition. Any claims for recourse that the Group may have against parties from which it has purchased property may fail because of the expiration of warranty periods and the statute of limitations, lack of proof that the seller knew or should have known of the defect or the insolvency of the seller. In addition, it is not possible to fully avoid the risk that some properties acquired by the Group may contain ground contamination, hazardous materials, other residual pollution or wartime relics, potentially including unexploded ordnance. The discovery of such issues can lead to substantial project delivery delays and their remediation and related additional measures could involve considerable additional costs. Moreover, the existence or even merely the suspicion of the existence of wartime ordnance, hazardous materials, residual pollution or ground contamination can negatively affect the value of a property and the ability of the Group to sell, or to operate such a property. Any of the above events or circumstances could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is dependent on its chief executive officer, chief financial officer as well as other senior executives and other qualified personnel and may not be able to attract and retain them.

The Group's ability to maintain its competitive position and to implement its business strategy is largely dependent on its ability to retain its co-founder, chief executive officer and Executive Director (as defined below), Mr. Remon Vos, as well as its chief financial officer and Executive Director, Mr. Richard Wilkinson, and other senior executives and skilled personnel and to attract and retain additional qualified personnel who have experience in the Group's industry and in operating a business of the Group's size and complexity. Mr. Remon Vos has been instrumental to building the Group since its foundation in 1998 and has been its chief executive officer since 1999. He is personally involved in many aspects of the Group's business including formulation and implementation of its business strategy and relationships with key tenants. Mr. Richard Wilkinson has been the Group's chief financial officer since July 2018. The Group has not entered into a key person insurance with respect to Mr. Remon Vos or Mr. Richard Wilkinson.

There may be a limited number of persons with the requisite experience and skills to serve in the Group's senior management positions, and the Group may not be able to locate or employ or retain qualified executives on acceptable terms, or at all. Any shortage of adequately skilled candidates may force the Group to increase wages to attract suitably skilled candidates, which could substantially increase the Group's costs. The loss of these individuals, or of any senior member of management, in particular Mr. Remon Vos as the chief executive officer, or any delay in replacing a departed member of management, may result in the loss of industry and property specific knowledge as well as relationships with key tenants, lenders, and industry personnel and delay key decisions. Any of these factors could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's financial performance relies on its ability to attract and retain tenants, which may suffer as a result of increased competition from other property owners, operators and developers.

The Group faces competition from other owners, operators and developers of commercial and industrial real estate and competes with local real estate developers, private investors, property funds and other property owners for tenants as well as for attractive development plots, which are typically limited in number and in high demand. Some of the Group's competitors in its existing or target markets may have a broader client base, a larger or more diversified project portfolio, substantially greater financial, technical and marketing resources or better access to land acquisitions. These competitors might increase their market presence through greater use of advertising, more aggressive pricing, or by making more attractive offers to current and future companies that do business with the Group. The competition to which the Group is currently exposed and the potential increase of competition in the CEE region, commercial real estate development market may lead to a substantial increase of development costs, including, among others, higher land acquisition and construction costs, or force the Group to lower its rental prices, any of which could result in lower margins or loss of market share thus jeopardizing the Group's growth strategy.

Some of the Group's competitors may have properties that are newer or more advantageously located compared to the Group's properties. The quantity and quality of competing industrial and logistics properties in areas in which the Group operates, as well as any additional competing properties built in such areas, could negatively impact the Group's ability to lease properties to tenants at attractive rental prices, or at all. This could result in decreased occupancy and rental rates and could lead to an increase in capital expenditure if the Group decides to carry out renovations or make additional improvements to its properties in an attempt to compete more effectively. In addition, during periods of improved economic conditions, competitors may undertake speculative warehouse development in areas in which the Group operates. In order to compete, the Group may need to incur capital expenditure to redevelop its industrial and logistics properties or speculatively develop such properties where economically prudent.

The competition for tenants may also negatively affect the Group's ability to optimise the tenant mix, attract new tenants and retain existing tenants and may negatively influence the terms of the Group's lease agreements, including the amount of rent that the Group charges and the incentives that the Group provides to tenants, thereby adversely affecting the Group's business, financial condition, results of operations, cash flows and prospects.

The Group may not be able to pass onto tenants its operating, maintenance and capital expenditure costs or to successfully recover such costs.

The Group is subject to a number of operating costs and expenses which it would typically pass on to its tenants to the extent this is permitted in the relevant lease agreement. However, the Group may be unable to do so in certain circumstances, such as when a property is vacant or a tenant's lease does not allow this practice. Certain costs or cost increases which the Group may be unable to pass onto tenants at all or in case they relate to vacant properties include:

- energy or other utility costs on a vacant property;
- property taxes and other statutory charges on vacant properties and, in certain markets, on occupied properties where property taxes are not or cannot be recovered from tenants;
- increases in compliance costs caused by recent changes in laws, regulations or government policies;
- costs related to obtaining permits and authorisations;
- insurance premiums on vacant properties and, in certain markets, on occupied properties where insurance premiums are not or cannot be recovered from tenants;
- increases in the costs of securing and maintaining properties;

- costs arising from defects affecting the Group's properties which need to be rectified;
- failure of third-party service providers to perform, leading to unforeseen cost overruns (not born by such third-party service providers);
- any costs which exceed the fixed amount of service charges agreed in the respective tenant's lease; and
- any other costs the recovery of which from the tenants is not agreed in the respective tenant's lease.

In addition to the costs and cost increases set out above, the Group has to perform maintenance and, from time to time, modernisation or expansion of its properties to remain competitive and comply with applicable laws and agreed arrangements in the tenants' leases. If the necessary capital expenditure is not undertaken, this could lead to a decline in the value of the relevant properties, impacting their sale or refinancing value and hence the ability to generate sufficient disposal proceeds or the ability to refinance borrowing secured against the property. Such measures can be time consuming and expensive, and risks can arise in the form of higher costs than anticipated or unforeseen additional expenses for maintenance, modernisation or expansion that cannot be passed onto tenants. For instance, the Group's capital expenditures spent on its existing buildings accounted for 4 per cent. of its net rental income for the year ended 31 December 2020.

In addition, the Group may develop a custom-made property for a tenant that terminates the lease during its term and the Group may be unable to lease the property to another tenant without redesigning it and may fail to recover the costs of developing the property.

Changes in government regulations may result in additional capital expenditure requirements to modernise or maintain the properties, such as refurbishment to comply with energy efficiency standards or health and safety requirements, which may not always be possible to charge to tenants.

In addition to its property portfolio-related costs, the Group is also subject to additional, centralised fixed costs which are not typically passed on to its tenants. These costs include personnel expenses, corporate and office costs, and other fixed costs not associated with any particular property.

Any increase in the Group's operating, upkeep and fixed costs which it is unable to pass on to its tenants could have an adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is exposed to the risk of cost overruns, delays or other difficulties in relation to its development activities.

The Group develops many of its own properties, acting as a general contractor and outsourcing to third-party suppliers. It is, to a small extent, also engaged in development of projects for third parties outside the Group. The real estate development business is subject to certain risks arising from the complexity of the projects, including higher than expected costs, breaches of labour laws, delays in completion, the application of regulations, health and safety or environmental constraints, the multiplicity of participants, relationships with owners or users of neighbouring real estate, unknown restitution claims, unforeseeable underground conditions, including the discovery of archaeological remains that may result in delaying the construction process, and the need to obtain permits. Although there is generally an obligation for the responsible authority to grant such a permit if all applicable legal requirements are satisfied, the authorities may, on a case-by-case basis, decide to grant building permits only under specific conditions or constraints or may even refuse to grant such permits at all. This is further exacerbated by the fact that legal systems of countries in the CEE region in which the Group operates typically tend to be more formalistic and stricter with respect to permits than, for instance, of countries in Western Europe. For instance, in Romania, the Group is exposed to the risk of cost overruns and project delays in the event it develops its properties on what is designated as agricultural land located outside the city limits. This is due to the fact that recent changes in the local legislation impose additional taxes on the sale, and more restrictive rules for the acquisition, of such land.

Furthermore, objections by municipalities, owners of surrounding plots of land and other interested parties may delay the granting of permits or otherwise materially adversely affect the Group's ability to undertake development activities. In particular, the Group's development projects may face public opposition and the

Group may be forced to make concessions to reach an agreement with the relevant municipality and the interested parties. Prolonged negotiations with the relevant municipality and the interested parties during the permitting process may significantly delay the development project and if the Group fails to reach such an agreement, it may be forced to amend or even abandon its development project.

It cannot be excluded that the general planning and zoning regulation in the area where the Group plans to develop its property changes between the time the Group acquires a land plot and the time the Group commences development activities. If this were the case, the Group would have to initiate a change of the planning and zoning regulation. This may take time, require additional resources and lead to the delay or even abandonment of the project in the event such change of the planning and zoning regulation would not be achieved to the Group's benefit or at all.

Additionally, competition for the materials and labour resources necessary for the Group's development activities may increase the costs of such resources, thereby reducing the Group's ability to carry out development activities profitably. The Group is also exposed to the risk of cost overruns and project delays in the event a construction of a building is commenced speculatively before a tenant for the building is found and once a tenant is found, the design of the building has to change substantially to accommodate the preferences of the tenant.

These risks could result in the abandonment of projects after significant feasibility study costs and management attention have been expended or could lead to substantial project delivery delays, which could adversely impact the Group's profitability and the value of its properties. The Group may also incur significant opportunity cost when it is not able to carry out development activities in a timely manner or at all due to the above and other factors and as a result the Group's land bank's potential may not be maximised. Furthermore, it typically takes several months or years from the commencement of a project to completion of a new industrial and logistics park, and demand for warehouse or office space in particular locations may change significantly between the time the Group makes the decision to enter a particular market or region and the time at which an industrial and logistics park commences operation. If future demand for the Group's warehouse or office space does not match the growth in the Group's property portfolio, the Group may experience lower occupancy than expected or be required to lower its rental levels in a particular industrial and logistics park to attract customers. Conversely, there is also a risk that the Group's land bank will not be large enough, both generally and specifically in areas with high demand, thereby constraining the growth opportunities of the Group.

The properties owned by the Group may from time to time require investment for targeted modernisation, renovation or expansion. Such measures can be expensive and may trigger costs that will exceed the costs of general maintenance. The Group could underestimate the amount to be invested for the targeted modernisation, renovation or expansion of its properties as such costs may increase due to various factors. The Group could also be exposed to risks due to delays in the implementation of modernisation, renovation or expansion measures, against which the Group might not have been contractually protected.

Failure to complete a development project, including redevelopment or refurbishment investment project, according to its original schedule or business case may result in returns on investment being lower than originally expected. It may also result in breach of obligations assumed by the Group under agreements with future tenants of the property under development which may give rise to potential claims of those tenants towards the Group and impairment of relationships with those tenants. Failure to generate anticipated returns due to any of the above events or circumstances could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group may hold excess land for future development which may not ultimately be beneficial to the Group.

As of 31 December 2020, the Group owned a land bank of 8.8 million square metres in the CEE region, with further 3.8 million square metres under exclusive option, resulting in a total of 12.6 million square metres, of which 65 per cent. was adjacent to the Group's existing parks. In the event of a prolonged economic downturn, developments may be postponed, slowing down the rate of recycling of the capital invested in land. There is a risk that holding too much land for future development, or holding such land for long periods, may dilute the returns due to the fact that the land bank's potential is not fully utilised. Changes in governmental policy, such as changes in planning policies and zoning and the use of compulsory purchase orders, may also mean that the

Group incurs costs, or is required to take certain action, in connection with development land held for longer than a prescribed period. Furthermore, external factors or changed circumstances may cause customers to change their property requirements which may mean that the Group holds land which is located in undesirable areas. The materialisation of this risk may have a material adverse impact on the Group's business, financial condition, results of operations, cash flows and prospects.

The valuations performed on the Group's property portfolio represent the analysis and opinion of independent experts and may not be an accurate reflection of their present or future value and the Group's financial statements may be affected by fluctuation in the fair market value of its property portfolio as a result of revaluations. A significant part of the Group's annual revenue gains or losses may be non-cash due to portfolio revaluations.

The financial statements of the Group reflect property valuations performed by external valuation agents or by the Group and are not guarantees of present or future value. Valuations are inherently subjective due to the individual nature of each property and the markets in which such properties are situated. This is particularly so when there has been limited or no transactional experience recorded against which property valuations can be benchmarked. In such a case, benchmarking for valuation purposes may be particularly challenging or rely on certain assumptions and the resulting valuations may therefore not be accurate. One external valuation agent may reach a different conclusion to the conclusion that would be reached if a different external valuation agent were appraising the same property, and similarly the same external valuation agent may come to a different conclusion at different times. This variation may be due to the use of different methodologies. Any change to valuation methodology may result in gains or losses in the Group's consolidated financial statements, based on the change to each property's valuation compared with prior valuations. Moreover, property valuations are made on the basis of assumptions which may not prove to be accurate, including the direction and extent of future property market trends, such as valuation yields and market rents.

There can be no assurance that any valuation could be realised in a third-party sale. The net proceeds realised from any future disposal may vary from the related valuation, and such variations may be material and the relevant Group member may not be able to realise the full property value reflected in any valuation report. The valuations given to properties by any external appraiser and reflected in the Group's financial statements may exceed or be below the actual amount of net proceeds which would be realised on the relevant property at the time of any sale, and are subject to fluctuation over time.

In addition, valuation of the Group's real estate portfolio may be affected by currency fluctuations and the general macro-economic environment. Such variations may be driven by factors outside the control of the Group and adversely affect, among other things, calculation of financial covenants under the terms of the Group's existing financial indebtedness. In particular, the continuing spread of the COVID-19 pandemic and the related government-imposed trading restrictions in response to the pandemic could have a negative impact on the valuation of the Group's real estate portfolio. The uncertainty related to the COVID-19 pandemic has led to a significant reduction in the number of real estate transactions since February 2020 and has impacted the availability of reliable market data used for the purposes of valuation benchmarking.

Any increase or decrease in the value of the Group's property portfolio is recorded as a revaluation gain or loss in the Group's financial statements for the period during which the revaluation occurs. As a result, the Group could have significant non-cash revenue gains and losses from period to period depending on the change in fair market value of its property portfolio, whether or not any properties are sold. If market conditions and the prices of comparable properties are unfavourable, revaluation losses from the Group's existing properties could occur in the future.

A realisation of any of the above risks could have an adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The performance of the Group's property portfolio is exposed to concentration risks.

The Group's property portfolio is exposed to concentration risk, as a significant proportion of its portfolio is located in a limited number of countries in the CEE region. As of 31 December 2020, 57 per cent. of the Group's property portfolio as measured by square metres was located in the Czech Republic, 24 per cent. in Romania, 8 per cent. in Hungary, 7 per cent. in Slovakia, 2 per cent. in Serbia, 1 per cent. in Poland and 1 per cent. in Bulgaria, Germany and Austria together. As such, the performance of the Group's property portfolio may be disproportionately impacted by events or market developments occurring in these countries, or in the CEE region generally, or by developments that affect certain types of commercial real estate. These developments may result in less favourable lease terms, increased vacancy rates and decreased rent levels for the Group's property portfolio. In the event of a decline in the attractiveness of any single national market where the Group's assets are located, or if there is a downturn or illiquidity in such market, the Group may be unable to rent or sell its properties effectively. As of and for the year ended 31 December 2020, the Group had a base of over 700 tenants, of which the top five, top 10 and top 30 tenants, based on GLA leased, amounted to 8 per cent., 15 per cent. and 30 per cent., respectively, of the total Gross Rental Income received by the Group. As of 31 December 2020, the Group's top 30 tenants, based on GLA leased, occupied 33 per cent. of the Group's GLA. Although the Group has a wide international tenant base of large companies from a range of industries, the Group's tenants may be more heavily concentrated in certain sectors, such as warehousing and logistics and automotive, which account for 51 per cent. and 24 per cent., respectively, of the Group's GLA as of 31 December 2020. As a result, the Group's property portfolio may become more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting in particular these sectors, as an economic decline in the businesses operated by the Group's tenants can cause one or more significant tenants to cease operations or become insolvent. The materialisation of any of the above risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is dependent on good relations with its employees.

The Group is an integrated business with significant in-house property management capabilities. As of 31 December 2020, 34 per cent. of the Group's employees were employed in the Group's property management department and 24 per cent. in the construction, procurement and design department. These employees in particular play a critical role in the Group's ability to continue providing services to its tenants and develop and grow its portfolio. Consequently, they are instrumental to the successful implementations of the Group's business strategy. Any sustained labour dispute affecting the Company, or any of its direct or indirect subsidiaries which employ property and asset management teams, could lead to a substantial interruption of the business of the Group. Competition for locally-sourced and based asset management and development specialists is high, and the pool of qualified candidates is limited. Due to these reasons, the Group has been subject to higher levels of employee turnover, which amounted to 21 per cent., 33 per cent. and 35 per cent. in the years ended 31 December 2020, 2019 and 2018, respectively. If the Group fails to retain and attract adequately skilled employees to fill management and technical roles at economically reasonable compensation levels, this could have a material effect on the Group's business, financial condition, results of operations, cash flows and prospects. Moreover, if any of these skilled employees leave and carry on any activities competing with the Group, it may have a negative impact on the Group's relationships with its key tenants, key professionals and employees, and legal remedies against such individuals may be limited. While, as of the date of this Prospectus, the Group's employees are not unionised, there is no guarantee that they will not unionise in the future. In such a case, the Group's employees would increase their bargaining and other rights, which may require the Group to spend substantial time and resources on altering or amending employees' terms of employment or making staff reductions.

The Group is dependent on the performance of third-party contractors or suppliers.

In the ordinary course of its business, the Group enters into various contracts with third-party contractors. In particular, the Group acts as a general contractor in the process of development and construction of its properties, outsourcing to suppliers selected in open tenders. If the performance of any such contractor or supplier is unsatisfactory, it may be necessary to replace them or take other actions to remedy the situation. Depending on which area of the Group's business such contractor or consultant is servicing, this could affect the cost and timing of the Group's development projects, the level of service provided to a tenant or client, or the ability of the Group to operate its business without disruption. Moreover, in the current macroeconomic climate impacted by the outbreak of the COVID-19 pandemic, the Group's third-party, independent contractors or suppliers may become bankrupt or insolvent, which may lead to significant operational risks for the Group. This also applies to the specific arrangement with Antlia Investments sp. z o.o. ("**MDC2**") in Poland, where the Group relies on an exclusive partner for sourcing, development and management of its assets.

There is also a risk that the Group's existing contracts may be terminated or renewed on less favourable terms. Where contractual relationships are terminated, the Group may be unable to find suitable alternatives in time, which can lead to completion delays. Even if replacements could be found, the procurement of replacement contractors could take time or the contract may be more expensive.

The materialisation of any of the above could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's mid-term business outlook does not constitute a profit forecast as defined in the Prospectus Regulation and, as such, its accuracy and predictive value may be lower and it may materially differ from the Group's actual future results of operations.

The Group's mid-term business plan outlook as presented in the section "*Business Overview—Business Plan Outlook*" does not constitute a profit forecast as set out in Section 11 of Annex I of Commission Delegated Regulation (EU) No. 2019/980 (the "**Delegated Regulation**"). As such, it does not meet the requirements set forth for by the Delegated Regulation for profit forecasts. In addition, the mid-term business outlook constitutes forward looking statements (see "*Important Information—Forward-Looking Statements*" for more information). As a result, the projections included in the Group's mid-term business outlook as presented in the section "*Business Overview—Business Plan Outlook*" may, as compared to profit forecasts pursuant to the Delegated Regulation, be less accurate or have lower predictive value to investors.

The Group depends on the availability of public utilities and services, especially for water and electricity.

Public utilities, especially those that provide water and electricity, are fundamental for the sound operation of the Group's properties. The delayed delivery or any material reduction or prolonged interruption of these services could allow tenants to terminate their leases or claim discounts on their rent or result in an increase in the Group's costs, as the Group may be forced to use backup generators or back-up water supplies and if agreed, to pay contractual penalties to the tenants. However, these could be insufficient to fully operate the Group's properties and could result in the Group's inability to provide services. Any reduction, interruption or cancellation of such services could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

Interruption or failure of the Group's information technology systems could damage its reputation and business.

The Group is dependent on the proper functioning of its information systems and processes. The Group's systems and the systems on which it relies are vulnerable to damage or interruption from various factors, including but not limited to power loss, telecommunication failures, data corruption, network failure, computer viruses, hacking, security breaches, natural disasters, theft, vandalism or other acts. A disaster or disruption in the infrastructure that supports the Group's businesses could have a material adverse effect on its ability to continue to operate the Group's business without interruption and, as a result, damage the Group's reputation. The Group is also reliant on the general and timely functioning of banking systems and associated technology in order to receive and make payments. Any cessation of the ordinary functioning of the banking system or any interruption of payment systems may impact the ability to collect rents from tenants. The materialisation of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group will be exposed to operational and regulatory risks relating to its photovoltaic solar power plants and to risks inherent to the energy market generally.

The Group plans to roll out photovoltaic ("**PV**") solar power plants on the rooftops of its buildings with a targeted capacity of approximately 250 Mega Watt peak ("**MWp**"). Since 2010, all the Group's newly developed buildings are 'solar ready', meaning either that the roofs are built to allow the creation of a PV solar power plant on each building by incorporating the necessary hook-up technology, or the roofs are built with PV solar panels already installed.

As an operator of PV solar power plants, the Group will increase its exposure to the energy market. As a result, the Group will be increasingly exposed to the risks inherent to the energy market. For instance, the Group's revenues from the power generation will depend on the volume of electricity produced by its PV solar power plants, which, in turn, will depend on both short-term and long-term fluctuations in weather as this impacts the volume of electricity produced by PV solar power plants. Even in a stable climate the weather varies from year to year, and thus also the production of energy from PV solar power plants. The Group's revenues from its PV solar power plants will also be subject to fluctuations in the price of electricity. Lower wholesale electricity prices may lead to a reduction in the payments the Group receives from offtakers for uncontracted electricity sales, or lower prices for future power purchase agreements. In addition, the Group may not be able to procure offtakers to buy the electricity generated from its PV solar power plants or may experience issues with connecting its PV solar power plants to the grid.

As the Group's business case for the planned roll out of PV solar power plants is built on the assumption that the Group will receive government support or other financial incentives for each such project, the Group does not intend to proceed with the project in the event it does not qualify for government support or other financial incentives. The Group will have to incur some initial expenses related to the preparation of the project documentation and application for a subsidy for each such project before it learns whether the particular project qualifies for the subsidy. As such, the Group may not be able to recover the initial expenses in the event its project does not qualify for the subsidy and the Group decides not to proceed with it. However, in several European countries, investors' confidence and viability of investments in photovoltaics were significantly affected due to radical reduction of support, retroactive measures, and unplanned changes of the regulatory or tax framework. Political developments could lead to a material deterioration of the conditions for, or a discontinuation of, current incentives for PV solar power plants. Once the Group's PV solar power plant project qualifies for a subsidy for the installation and operation of PV solar power plants and the Group decides to proceed with the project, any retroactive reduction in, or a loss of, government support and financial incentives for such project in any of the markets in which the Group intends to operate its PV solar power plants could negatively affect the recoverability of the Group's investment into its PV solar power plants and the expected revenues from their operation.

The Group's PV solar power plants may encounter operational difficulties that may cause them to perform at a lower level than expected and therefore earn less revenue. Severe weather phenomena, such as strong wind, hail storms, snow or lightning, as well as other phenomena such as rodent damage and fires may cause damage to, and disrupt the functionality of, the Group's PV solar power plants. In such a case, their repair may be costly and may negatively affect, or even temporarily interrupt, the operation of the affected PV solar plant and the property on which it is located.

The Group's planning and expected revenues are based on the typical performance and maintenance costs of the PV solar power plants currently on the market. However, the actual performance of the Group's PV solar power plants could turn out to be lower than anticipated, for instance due to lower solar radiation, quality or efficacy issues with the installed PV solar panels, their higher maintenance costs or the need for additional investments. Additionally, given the long-term nature of PV solar panel investments and the fact that PV solar power plants are a relatively new investment class, there is limited experience regarding long-term operational problems that may be experienced in the future and which may negatively affect the Group's PV solar power plants and, therefore, the Group's investment returns.

The materialisation of any of the above risks could adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's operations could be adversely affected by risks related to climate change.

From the perspective of the Group, climate change presents the risk of damage to property caused over time by altered weather conditions and other changes in the physical environment that affect properties. Insufficient investments or investments in the wrong type of measures intended to mitigate the effects of climate change for properties could lead to the risk of unprofitable investments if climate risk is not appropriately considered and failure to invest at all in mitigation measures could result in investments being written off. Climate change could also entail higher operating expenses, for instance, due to changes in temperature levels or increases in insurance premia for insuring properties in vulnerable areas. In addition, environmental-political decisions could affect the Group, not least in the form of higher taxes or necessary investments but also by restricting road transportation or making it more costly. Moreover, increased climate-related requirements imposed by investors, tenants and other stakeholders could also affect the Group. As a real estate business, these risks could have a material adverse effect on the Group compared with other businesses as the Group relies on geography and its physical infrastructure to produce its income. The Group also has property portfolios concentrated around several cities across the CEE region and if climate change detrimentally impacts such cities, then the value of such portfolios, and the earnings capacity from such portfolios, could reduce significantly. Such changes could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group may experience material losses or damage related to its properties and such losses may not be covered by insurance.

The Group may experience losses related to its properties arising from natural disasters, vandalism or other crime, faulty construction or accidents, fire, war, acts of terrorism or other catastrophes, and may face related damage claims by its tenants. Although the Group members maintain insurance protection that they consider adequate in the ordinary course of operations, including protection against material damage to their business assets caused by, among other things, fire, explosions, earthquakes, flooding and theft, the Company cannot provide any assurance that the insurance will be sufficient or provide effective coverage under all circumstances and against all hazards or liabilities to which the Group may be exposed. For instance, there are certain types of risks, generally of a catastrophic nature such as from war or nuclear accident, which are uninsurable under any insurance policy. Furthermore, policies on the Group's properties may include some coverage for losses that are generally catastrophic in nature, such as losses due to terrorism, earthquakes and floods, but the Company cannot provide any assurance that these will be adequate to cover all losses. Some of the Group's properties will be insured subject to limitations involving large deductibles or co-payments and policy limits that may not be sufficient to cover losses. If either the Group or one or more of its tenants experience a loss that is uninsured or that exceeds the Group's insurance policy limits, the Group could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. Damages or third-party claims for which the Group is not fully insured, increases of insurance costs, other adverse changes in insurance markets as well as the materialisation of any of the above risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group may be unable to dispose of its properties profitably.

The Group's properties and those in which the Group may invest in the future may be relatively illiquid, as there may be a limited number of buyers with financing who are willing to pay fair value at the time the Group decides to sell. This may affect the Group's ability to dispose of all, or part of, its portfolio in a timely fashion and at satisfactory prices in the case of an accelerated sale or a sale required for compliance with covenants contained in the Group's financing, or in the event of enforcement of security by a lender, there may be a significant shortfall between the carrying value of the property on the Group's consolidated balance sheet and the price achieved at the time of the sale of such property, and the Group may be unable to achieve a sales price at, or above, the book value of the property sold. In Poland, the future development assets are to be sourced and developed by MDC2 in the name and on the account of the Company, based on a mutually exclusive five-year relationship. MDC2 may be entitled to participate in the net profit reached during the relationship. Failure to achieve successful sales of properties in the future at acceptable prices may have a material adverse impact on the Group's business, financial condition, results of operations, cash flows and prospects.

Risks related to the countries in which the Group operates

The Group is exposed to economic conditions and other events or circumstances that affect the markets in which the Group operates.

Since commercial property markets tend to be related to the condition of the economy as a whole, the Group is exposed to fluctuating economic conditions in each of the countries or locations in which the Group's properties are located and more generally to overall economic conditions in the EU, national, regional and local economies. As of the date of this Prospectus, the Group has operations in the Czech Republic, Romania, Hungary and Slovakia a smaller presence in Serbia, Poland, Bulgaria, Germany and Austria. A change in the general economic conditions of these countries could result in lower demand for the Group's industrial and logistics property, rising vacancy rates and higher risks of default by tenants and other counterparties.

Factors that influence the economic condition of these countries include growth in GDP, inflation or deflation, investor sentiment, consumer confidence, unemployment rates, availability and cost of credit, liquidity of financial markets and changes in interest rates. Among other things, changes in GDP may impact employment levels, while changes in global interest rates may impact tenants' access to financing. This, in turn, may affect tenants' ability to meet their rental obligations to the Group and enter into new or prolong existing leases, affecting the demand for the Group's property generally and therefore its rental income and the market value of its properties.

Since the Group derives a substantial portion of its rental income from companies in the logistics, e-commerce, automotive, manufacturing, retail and high tech sectors, the Group's financial condition and results of operations are, to a certain extent, dependent also on the condition of the consumer-products segment of the European economy.

The Group's business can also be negatively affected by rising inflation, as the majority of the lease agreements the Group has entered into with its tenants contain a fixed adjustment of rent clause at between 1 and 2 per cent. per annum. Therefore, if inflation in the relevant market increases above this level, the rent paid by the Group's tenants under such lease agreements will not be adjusted to the same extent, which may adversely affect the Group's real income.

In addition, property markets have tended to operate, at least historically, on a cyclical basis. Any investments, divestments or speculative developments which are made by the Group at the wrong time in an economic cycle could lead to the loss of value or underperformance by the Group relative to its competitors. If the Group is geared too highly at a point in the economic cycle when property valuations are falling, movements in the Group's net asset value may be exacerbated and covenants or other restrictions in the Group's credit facilities and other borrowings may be breached. Equally, if the Group is geared too conservatively at a point in the economic cycle when property valuations are rising, there is a risk that attractive growth opportunities could be missed.

The occurrence of any one or a combination of these factors may have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group has significant investments and operations in less mature markets, which tend to have higher volatility and be subject to greater legal, economic, fiscal and political risks.

Most of the Group's revenues are generated from operations in the CEE region, in particular, the Czech Republic, Romania, Hungary and Slovakia. Markets such as the CEE region tend to have higher volatility, more limited liquidity and a narrower export base than more mature markets and are subject to greater legal, economic, fiscal and political risks than mature markets. They are subject to rapid and sometimes unpredictable change and are particularly vulnerable to market conditions and economic downturns elsewhere in the world. As a result, investing in the securities of companies with substantial operations in less mature markets generally involves a higher degree of risk than investing in the securities of companies with substantial operations in Western Europe or other similar jurisdictions.

The Group's operations in the CEE region are exposed to risks which are common to all regions that have recently undergone, or are undergoing, political, economic and social change, including currency fluctuations (primarily the Czech Koruna, Romanian Leu, Polish Złoty, Hungarian Forint and Serbian Dinar relative to the Euro), an evolving regulatory and legal environment, inflation, economic downturns, local market disruptions, labour unrest, changes in disposable income or gross national product, variations in interest rates and taxation policies and other similar factors. The Group's performance could be significantly affected by events in the CEE region which are beyond its control, such as a general downturn in the economy, political instability, changes in regulatory requirements and applicable laws, including in relation to taxation, the condition of financial markets and interest and inflation rate fluctuations. In addition, international investors may react to events, disfavouring an entire region or class of investment, a phenomenon known as the "contagion effect". If such a contagion effect occurs, the CEE region could be adversely affected by negative economic or financial developments in other countries with less mature markets. Financial or political instability in less mature markets also tends to have a material adverse effect on capital markets and the wider economy as investors generally move their money to more mature markets, which they may consider to be more stable.

The legal framework in some of the CEE countries is at a different stage of development compared to countries with established market economies. The judicial system, judicial officials and other government officials in these countries may not be fully independent of external social, economic or political forces. Related risks include: (i) improper payments to public officials; (ii) unpredictable and sometimes inconsistent judicial and administrative decisions; and (iii) arbitrary judgments by tax authorities as to tax liabilities, which may pose difficulties for the Group in ascertaining its tax liabilities, penalties and interest. As a result of such uncertainties, as well as the lack of any established system of precedent or consistency in legal interpretation, the legal and tax risks involved in doing business in some of the CEE countries are substantially more significant than those in jurisdictions with a more developed judicial and tax system. Further, information contained in the respective real estate registers in most CEE countries does not provide conclusive evidence that a given right (including the ownership right) to or encumbrance over a particular piece of real property was validly created and exists, or that a given right to or encumbrance over a piece of real property does not exist. Registration of the given right (including ownership right) in such registers generally does not provide sufficient protection of the registered owners (and other right holders) against third party claims.

Any such events could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

Risks related to the Group's financial condition

The Group's substantial leverage and debt service obligations could adversely affect its business and prevent it from fulfilling its obligations with respect to its indebtedness, and the Group may not be able to successfully renew or refinance such indebtedness as it matures, or may only be able to renew or refinance its indebtedness on less favourable terms.

The Group has a substantial amount of outstanding indebtedness. As of 31 December 2020, the Group's interest-bearing loans and borrowings from financial institutions and bonds issued amounted to EUR 3,394 million and its Net LTV was 50.7 per cent. The level of the Group's indebtedness could have important consequences. For instance, it could make it difficult for the Group to satisfy its obligations with respect to its outstanding indebtedness, increase the Group's vulnerability and reduce its flexibility to respond to general adverse economic and industry conditions. As of the date of this Prospectus, the Group expects that following the Offering, its Net LTV would decrease to approximately 35 to 40 per cent. Further, while the Group has sufficient working capital to meet its present requirements, the level of the Group's outstanding indebtedness could require that a substantial portion of the Group's cash flow from operations is dedicated to the payment of principal of, and interest on, the outstanding indebtedness, thereby reducing the availability of such cash flow for, and limiting the ability to obtain additional financing to fund, capital expenditures, acquisitions, joint ventures or other general corporate purposes.

In addition, the Group may incur substantial additional indebtedness in the future. Although the terms of certain of the Group's indebtedness (including, without limitation, indebtedness under the Czech Portfolio Facilities Agreement, the Aareal Facilities Agreement and the EMTN Programme (in each case as defined in "*Operating and Financial Review —Financing arrangements of the Group*")), provide for restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions typical for this type of financing, and under certain circumstances, the amount of indebtedness that could be incurred in compliance with those restrictions could be substantial. Any additional debt incurred in connection with future acquisitions, construction or development could have a significant negative impact on the Group's performance indicators, and could result in higher interest expenses for the Group. In particular, under the Czech Portfolio Facilities Agreement and the Aareal Facilities Agreement, additional financial indebtedness of the obligors is permitted as long as it is subordinated to the lenders' claims arising under the Czech Portfolio Facilities Agreement and the Aareal Facilities Agreement (as applicable), or, subject to agreed thresholds, if it is incurred in the ordinary course of an obligor's business. Under the EMTN Programme, incurrence of additional indebtedness by the Group is permitted as long as: (i) the aggregate principal amount of all outstanding debt of the Group is not greater than 60 per cent. of its total assets; (ii) the aggregate principal amount of all outstanding secured debt of the Group is not greater than 40 per cent. of its total assets; (iii) the ratio of the Group's consolidated income available for debt service to the interest charge is not less than 1.5x; and (iv) the Group's total unencumbered assets, defined as the sum of (a) the fair market value of real estate assets owned by any member of the Group that is not subject to an encumbrance (calculated by the Company and excluding any real estate assets which are reflected on the Group' consolidated statement of financial position as a financial lease in accordance with IFRS and to the extent that any such items (other than letters of credit) would appear as a liability on the Group' consolidated statement of financial position in accordance with IFRS) and (b) the value (determined in accordance with IFRS) of all other assets of the Group not subject to an encumbrance, is not less than 125 per cent. of the aggregate outstanding principal amount of the Group's unsecured debt.

The Group's business is also subject to risks in relation to its ability to renew, extend or refinance loans and other obligations as they mature. The Group is reliant upon having financial strength and access to borrowing facilities to meet its financial requirements. The Group's ability to access the capital markets and other forms of financing (or refinancing), and the costs connected with such activities, depend in part on the Company's credit rating. As of the date of this Prospectus, the Company has been rated BBB- (stable outlook) by S&P and Baa3 (stable outlook) by Moody's. In the event that the Company's credit rating is lowered, the Group's ability to access credit and bond markets and other forms of financing (or refinancing) could be limited. The Company's ability to maintain its rating is dependent on a number of factors, some of which may be beyond its control. The availability of funds in the credit market fluctuates and it is possible that at the relevant time there will be a shortage of credit to refinance the Group's indebtedness. If the Group's financial performance does not meet its existing contractual obligations or market expectations, it may not be able to refinance existing facilities on terms considered favourable or at all. If the Group is no longer able to obtain the financing it needs as and when needed, or if it is able to do so only on onerous terms, its further development and competitiveness could be severely constrained. If the Company is unable to refinance its indebtedness, it may be forced, in unfavourable market conditions, to sell some or all of the properties in order to repay such indebtedness, and there can be no assurance that the assessed fair value of the properties would be realised under such circumstances. The Group's ability to raise additional capital could be further influenced by factors such as changing market interest rates, restrictive covenants in its debt instruments or negative changes in its credit rating. If the Group does not generate sufficient cash flows or if it is unable to obtain sufficient funds from future financings or at acceptable interest rates, the Group may not be able to pay its debts when due or to fund other liquidity needs.

The materialisation of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is subject to restrictive covenants that may limit its ability to finance its future operations and capital needs and to pursue business opportunities and activities.

The terms of the Group's financial indebtedness, including the Czech Portfolio Facilities Agreement, the Aareal Facilities Agreement (as defined in "*Operating and Financial Review— Financing arrangements of the Group*") and the EMTN Programme, contain restrictive provisions standard for this type of financing which, among other things, limit the ability of the Group to incur additional financial indebtedness, perform acquisitions, invest in joint ventures, make distributions and certain other payments, dispose of assets, provide loans or guarantees, create security, merge with other companies or engage in other transactions. These restrictions are subject to a number of exceptions and qualifications.

The Czech Portfolio Facilities Agreement sets out the following financial covenants, which are subject to the agreed cure rights, including: (1) DSCR ratio: (i) prior to the 12th test date (being 30 June 2022), at least 1.10:1; and (ii) thereafter, at least 1.15:1; and (2) LTV ratio not exceeding: (i) 77.5 per cent., at any time before 19 June 2021; (ii) 75 per cent., at any time thereafter but before 19 June 2023; (iii) 72.5 per cent., at any time thereafter but before 19 June 2024; and (iv) 70 per cent., at any time thereafter.

The Aareal Facilities Agreement sets out certain financial covenants, which are subject to certain agreed cure rights, including: (1) debt yield of at least: (i) 6.00 per cent., at any time before 29 September 2023; (ii) 6.50 per cent., at any time thereafter but before 29 September 2026; and (iii) 7.00 per cent., at any time thereafter; and

(2) LTV ratio not exceeding: 75 per cent., at any time before 29 September 2023; (ii) 70 per cent., at any time thereafter but before 29 September 2026; and (iii) 65 per cent., at any time thereafter.

The EMTN Programme contains financial covenants which permit the incurrence of additional indebtedness by the Group when: (i) the aggregate principal amount of all outstanding debt of the Group is not greater than 60 per cent. of its total assets; (ii) the aggregate principal amount of all outstanding secured debt of the Group is not greater than 40 per cent. of its total assets; (iii) the ratio of the Group's consolidated income available for debt service to the interest charge is not less than 1.5x; and (iv) the Group's total unencumbered assets, defined as the sum of (a) the fair market value of real estate assets owned by any member of the Group that is not subject to an encumbrance (calculated by the Company and excluding any real estate assets which are reflected on the Group' consolidated statement of financial position as a financial lease in accordance with IFRS and to the extent that any such items (other than letters of credit) would appear as a liability on the Group' consolidated statement of financial position in accordance with IFRS) and (b) the value (determined in accordance with IFRS) of all other assets of the Group not subject to an encumbrance, is not less than 125 per cent. of the aggregate outstanding principal amount of the Group's unsecured debt.

As of the date of this Prospectus, management believes that the Group complies with the above financial covenants under the Czech Portfolio Facilities Agreement, the Aareal Facilities Agreement and the EMTN Programme. However, breach of the financial covenants constitutes a material event of default which may result in the cancellation of commitments acceleration of loans of bonds and/or enforcement of transaction security, as applicable, which could materially affect the Group's operation.

The above restrictive provisions could also limit the ability of the Group to finance its future operations and capital needs and its ability to pursue business opportunities and activities that may be in its interest, which may in turn adversely affect the business, financial condition, results of operations, cash flows and prospects of the Group.

Any deterioration in the Group's operating performance, including as a result of any worsening of prevailing economic conditions, or any financial, business or other factors, many of which are beyond its control, may materially adversely affect its cash flow and hinder its ability to service its indebtedness and result in covenant breaches under the Group's financial indebtedness. In such a case, the Group may be forced to refinance or restructure its debt, reduce or delay its planned development activities or sell some of its properties in order to avoid default and acceleration of its indebtedness by the Group's lenders. Waivers by the Group's lenders may trigger higher interest rates or waiver fees. Some of the ratios and financial covenants in the Group's financial indebtedness are calculated on the basis of the fair value of its properties. Therefore, fluctuations in the fair value of the Group's properties could have an adverse impact on its compliance with relevant financial ratios and covenants. Any failure to meet its debt service obligations, to obtain waivers of covenant breaches or to refinance its debt on commercially acceptable terms in such a situation could have a material adverse effect on the Group.

Moreover, terms of certain indebtedness of the Group may restrict the subsidiaries of the Company from making distributions to the Company, which may in turn adversely affect the Company's ability to service its indebtedness and to distribute dividends. In particular, the Czech Portfolio Facilities Agreement and the Aareal Facilities Agreement allow for distributions from excess cash only (after servicing the debt service under both agreements and, in case the financial covenants drop below agreed thresholds, also after depositing agreed amounts to the reserve accounts).

The Group is exposed to potential claims under the DEKA Guarantees.

On 25 October 2018, CTP Invest, spol. s r.o. ("**CTP Invest**") and CTP PROPERTY LUX S.à r.l. as sellers and DEKA Immobilien Investment GmbH ("**Deka Immobilien**") and Westinvest Gesellschaft fur Investmentfonds mbH ("**Westinvest**") as buyers entered, *inter alia*, into an ownership interests sale and purchase agreement relating to CTP Portfolio A Plzen Park, Teplice Park and Prague North Park (the "**DEKA SPA**"). Pursuant to its terms, the sellers sold portfolio companies owning three business parks, consisting of 32 buildings in the Czech Republic, for a price of EUR 410 million. The Group also provided specific guarantees to Deka Immobilien and Westinvest including (i) a rental guarantee regarding vacant premises, rent shortfall and outstanding tenant incentives, (ii) tenant guarantees regarding defaults, break options and non-solicitation, and (iii) a technical guarantee for the repairs of the buildings (collectively, the "**DEKA Guarantees**"). The duration of the DEKA Guarantees is until 15 November 2028, unless terminated earlier pursuant to the DEKA SPA. Under the conditions specified in the DEKA SPA, Deka Immobilien and Westinvest may claim monetary compensation for agreed losses and/or specific costs under the DEKA Guarantees, which would result in an increased cost to the Group. As of the date of this Prospectus, the Group estimated its maximum exposure arising from the DEKA Guarantees at EUR 20 million. While Deka Immobilien and Westinvest regularly claim under the DEKA Guarantees monetary compensations in amounts that the Group does not consider material, if Deka Immobilien and Westinvest were to claim under the DEKA Guarantees monetary claims up to the estimated maximum exposure, this could materially adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's operating subsidiaries are exposed to interest rate risk.

The Group is exposed to interest rate fluctuations mainly from the floating interest rates applicable to its indebtedness as some of its bank loans have floating interest rates. As of 31 December 2020, the Group has taken out approximately 50 credit facilities with various lending institutions and 13 per cent. of these loans have unhedged floating interest rates exposure. Neither the Czech Portfolio Facilities Agreement nor the Aareal Facilities Agreement, which together comprise 52 per cent. of the interest-bearing loans and borrowings from financial institutes and bonds issued as of 31 December 2020, contain unhedged floating rate loans. The Group uses interest rate swaps, interest rate caps, interest rate collars, other types of derivatives and fixed rate loans to reduce the amount of debt exposed to interest rate fluctuations and to reduce borrowing costs. However, the Group may incur losses if any of the variety of instruments and strategies used to hedge exposures are not effective or cannot be implemented. The Group's actual hedging decisions will be determined in light of the facts and circumstances existing at the time of the hedge and may differ from time to time. Also, the risk management procedures the Group has in place may not always be followed or may not work as planned. In addition, the Group performs a sensitivity analysis, whereby an immediate increase or decrease in interest rates by 0.25 per cent. along the whole yield curve is applied to the unhedged part of the interest rate positions of the portfolio. According to the results of these tests, as of 31 December 2020, a decrease in interest rates by 0.25 per cent. would have decreased the Group's profit by EUR 0.8 million for the year ended 31 December 2020, whereas an increase in interest rates by 0.25 per cent. would have increased profit by EUR 0.8 million for the year ended 31 December 2020. The materialisation of any of the above risks could adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is exposed to currency fluctuation risks.

The Group operates in a number of different countries and is therefore exposed to fluctuations in the value of currencies (primarily Czech Koruna, Romanian Leu, Polish Złoty, Hungarian Forint and Serbian Dinar) relative to euro. Management analysed the impact of the foreign exchange rate variances on the Group's assets and liabilities and on its statement of comprehensive income as of 31 December 2020. The impact would not be significant as the majority of financial instruments are denominated in euro. From the financial instruments denominated in other currencies, those denominated in Czech Koruna and Romanian Leu are most prominent since, as of 31 December 2020, 3 per cent. of the Group's total financial assets (being the sum of cash and cash equivalents, current and non-current (i) trade and other receivables and (ii) receivables from related parties and current income tax receivables) were denominated in Czech Koruna and 6 per cent. in Romanian Leu and 3 per cent. of the Group's total financial liabilities (being the sum of current and non-current (i) derivatives, (ii) interest-bearing loans and borrowings, (iii) bonds issued, (iv) payables to related parties, (v) trade and other payables and (vi) corporate income tax payables) were denominated in Czech Koruna and 1 per cent. in Romanian Leu. To analyse the impact of fluctuation in the value of these currencies, the Group performs a sensitivity analysis. This shows that, as of 31 December 2020, the increase/decrease of Czech Koruna against euro by 5 per cent. would have decreased/increased the Group's profit by EUR 3,367 thousand for the year ended 31 December 2020, and the increase/decrease of Romanian Leu against euro by 5 per cent. would have decreased/increased the Group's profit by EUR 115 thousand for the year ended 31 December 2020.

The Group's financial results in any given period may be materially adversely affected by fluctuations in the value of currencies relative to the euro and by the related transaction effects and the translation effects thereof.

The Group is exposed to transaction effects when one of its subsidiaries incurs costs or earns revenue in a currency different from its functional currency. The Group is exposed to the translation effects of foreign currency exchange rate fluctuations when the Group converts currencies that it receives from its operating activities into currencies required to pay its debt, or into currencies in which the Group pays its contractors and suppliers, meet its fixed costs or pay for services, any of which could result in a gain or loss depending on such fluctuations.

Where relevant, the Group uses derivative financial instruments to reduce the amount of exposure to currency rate fluctuations. However, the Group may incur losses if any of the variety of instruments and strategies used to hedge exposures are not effective or cannot be implemented. The Group's actual hedging decisions will be determined in light of the facts and circumstances existing at the time of the hedge and may differ from time to time. Also, the risk management procedures the Group has in place may not always be followed or may not work as planned. In addition, the Group is exposed to the risk that its hedging counterparties will not perform their obligations under the relevant hedging arrangements to which the Group is a part.

Although the Group's standard leases are euro denominated, the Group's entities which primarily focus on investment and development activities in specific countries have the local currency as its functional currency. As such, fluctuations in exchange rates between local currencies and the euro affect the Group's reported results of operations and assets and liabilities when the results are translated into the euro for reporting purposes. Unfavourable fluctuations in the values of the local currencies in which financial statements of the Company's subsidiaries are prepared against the euro could have a material negative impact on the Group's future consolidated financial statements. The exposure to exchange rate volatility could materially adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is exposed to liquidity risk.

The Group faces the risk that it will experience difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset. To mitigate this risk, the Group has, as of the date of this Prospectus, access to a committed three-year revolving credit facility in the amount of EUR 100 million provided by a group of relationship banks. The Group also constantly monitors forecasted and actual cash flow, uses long-term financing and refinancing, where appropriate, for its investment property and uses rent income to settle its short-term liabilities. As of 31 December 2020, the Group had Indebtedness (consisting of the nominal value of bank loans and borrowings and bonds issued) with contractual maturities up to one year in the total amount of EUR 163 million, between one and five years in the total amount of EUR 1,647 million and over five years in the total amount of EUR 1,606 million. These amounts are gross and exclude contractual interest payments and the impact of netting agreements. Liquidity risk is evaluated by monitoring changes in the financing structure and comparing these changes with the Group's liquidity risk management strategy. The Group typically seeks to have sufficient cash available on demand and assets with short maturity to meet expected operational expenses for a period of 90 days, including servicing financial obligations, although this excludes the impact of extreme events that cannot be reliably predicted, like natural disasters. However, if these policies and procedures are not effective, are not followed or do not work as planned, this could adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

Legal and regulatory risks

The Group is subject to various regulations in the countries in which it operates and is exposed to the risks resulting from changes to the regulatory environment, or a failure to comply with applicable laws, regulations, licensing requirements and codes of practice.

The Group is subject to laws and regulations governing the ownership, development and leasing of real property, employment standards, environmental matters, sanctions, anti-money laundering, anti-bribery and anti-corruption, taxes and other matters. It is possible that future changes in applicable EU, national or local laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting the Group. For instance, a bill has been recently brought before the Czech Parliament that aims to significantly revamp the building law and speed up the construction permitting process in the Czech Republic. While the proposed regulation aims to bring a more transparent and definite legal framework to the current dealings between developers and municipalities when cooperating on development projects, the bill and the way it has been amended during the legislative process has received criticism and has brought uncertainty to the market as the final bill may significantly differ from the bill introduced to the Czech Parliament that had been discussed with representatives of key market participants.

Any changes in the laws to which the Group is subject, in the jurisdictions in which it operates, could materially affect the rights and title to the Group's properties. For instance, the use of the Group's properties may be limited by changes in regulatory requirements, such as urban development regulations and general planning law requirements, between the time the Group acquires the property and the time it receives all the required authorisations and permits. This may, for instance, prevent the Group from using its property for industrial activities or may adversely affect the Group's ability to sell, lease or finance the affected properties.

Failure to comply with these regulations may result in the assessment of administrative, civil and criminal penalties, or even the issuance of injunctions to limit or cease operations, the suspension or revocation of permits and other enforcement measures that could have the effect of limiting the Group's operations. For instance, the Group could incur costs and liabilities, including criminal, as well as issuance of injunctions to limit or cease operations, the suspension or revocation of permits and other enforcement measures in case its properties do not comply with fire prevention regulations or that do not have all operating permits in place, including environmental and fire permits. The burdens of regulatory compliance are exacerbated as the Group operates in seven different countries and numerous regions and municipalities therein. The Group also intends to expand its operations across other European countries. The Group must continually assess its compliance with numerous local building codes, land use regulations and other regulations in order to operate.

The Group has recently implemented new compliance policies (including with respect to sanctions and trade restrictions, anti-money laundering, anti-bribery and anti-corruption and fair competition) to comply with applicable regulations and best practises and, as of the date of this Prospectus, continues to institute procedures in order to (i) identify potential transactions or dealings with sanctioned parties and parties at risk of being subject to sanctions, (ii) promote and ensure compliance with applicable anti-bribery and anti-corruption laws, anti-money laundering laws and competition laws, and (iii) promote and ensure compliance with the Group's code of conduct. However, no assurance can be made that the Group's policies will sufficiently protect it from the improper conduct of its employees or business partners.

Since one of the Group's key strategies is to focus on organic growth of its property portfolio in its current markets and on selective strategic expansion to new markets, the Group may find itself in a position where it is deemed to have a significant market share in some of the markets in which it operates. As a result, the Group could be affected by regulatory actions carried out by relevant competition authorities. To promote competition, these authorities may prohibit certain actions, such as acquisitions or specific services or practices. Any such regulatory measures could restrict the Group's operations and its future growth.

The materialisation of any of the above risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows, prospects and reputation.

The Group is exposed to risks relating to planning, building and environmental regulation, and statutory pre-emption rights.

The Group's properties are subject to restrictions under applicable planning, building, environment and other laws and regulations, and may be subject to statutory encumbrances, competing claims, pre-emption rights and other limitations, which may not be covered, sufficiently or at all, by the Group's insurance policies and which may impact the value of the Group's properties and the Group's ability to use and dispose of them as it would otherwise see fit. As a result of the above or other restrictions, the Group may incur additional expenses and experience delays during the development of its properties or not be able to develop them at all. Non-compliance with such restrictions may have consequences ranging from fines, administrative and penal sanctions to prohibition of use or demolition orders, including injunctions to limit or cease operations, the suspension or revocation of permits and other enforcement measures that could have the effect of limiting the Group's operations.

In addition, it cannot be guaranteed that certain Group's properties are not in technical violation of easement or encroachment requirements, which could result in the Group's obligation to pay compensation to the relevant authorities.

The materialisation of any of the above risks could adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

The Group could become subject to liability for environmental law violations, regardless of whether it caused such violations.

The Group could become subject to liability in the form of fines, damages or remedial costs for non-compliance with environmental laws and regulations in the jurisdictions where its properties are located. These laws and regulations generally govern wastewater discharges, air emissions, olfactory discomfort, the operation and removal of underground and above-ground storage tanks, the use, conservation and protection of soil, the use, storage, treatment, transportation and disposal of solid hazardous materials, the remediation of contaminated property associated with the disposal of solid and hazardous materials and other health and safety-related concerns. Some of these laws and regulations may impose joint and several liability on tenants, owners or managers for the costs of investigation or remediation of contaminated properties, regardless of fault or the legality of the original disposal. For example, a current or former owner or manager of real property may be liable for the cost to remove or remediate hazardous or toxic substances, wastes, or petroleum products on, under, from, or in such property. These costs could be substantial and liability under these laws may attach whether or not the owner or manager knew of, or was responsible for, the presence of such contamination. Even if more than one person may have been responsible for the contamination, each liable party may be held entirely responsible for all of the clean-up costs incurred. While the Group may have obtained, and will seek to obtain in the future, certain indemnities relating to environmental liabilities in any purchase agreement (particularly where any specific environmental liability risks may have been identified), it may not be possible for the Group to recover the full costs or losses incurred or suffered under such indemnity. While the Group encounters environmental issues of an immaterial nature in the ordinary course of its business, the Group is currently not aware of any material environmental liability risk in relation to its property portfolio. However, should the Group fail to comply with existing or proposed environmental laws and regulations in the future, or fail to deal adequately with environmental issues, the Group's reputation may be damaged, and it may be required to pay penalties or fines or take remedial actions.

In addition, third parties may sue the owner or manager of a property for damages based on personal injury, environmental or property damage, violations of environmental laws, or for other costs, including investigation and clean-up costs, resulting from the environmental contamination. The presence of contamination on one of the Group's properties, or the failure to properly remediate a contaminated property, could result in substantial expenditures with respect to the de-contamination and adversely affect the Group's ability to sell or lease the property or borrow using the property as collateral. In addition, if contamination is discovered on the Group's properties, environmental laws may impose restrictions on the manner in which the property may be used or businesses may be operated, and these restrictions may require substantial expenditures or prevent the Group from entering into leases with prospective tenants. Moreover, if the Group's permits are successfully challenged for violations of the environmental laws, this could lead to the suspension or revocation of permits and other enforcement measures that could have the effect of limiting the Group's operations.

There can be no assurance that future laws, ordinances or regulations will not impose any material environmental liability, or that the environmental condition of the Group's properties will not be affected by the operations of the tenants, by the existing condition of the land, by operations in the vicinity of the properties. There can be no assurance that these laws, changes in these laws, or the materialisation of any of the above risks, will not have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's properties may be subject to state bodies exercising their right of expropriation or directing a compulsory purchase.

Under certain circumstances, the Group's properties may be subject to expropriation, for example to complete public works, redevelopment or infrastructure projects. Typically, compensation must be paid to the owner of the property, however there can be no assurance that compensation in respect of any expropriation will be adequate in all circumstances. This risk is exacerbated by the fact that the Group has significant investments and operations in less mature markets, such as the Czech Republic, Romania, Hungary and Slovakia, and the legal framework in some of these countries is at a different stage of development compared to countries with established market economies. Such events could reduce the Group's rental income and the value of its property portfolio, which could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

The Group's contractual rights under its leases may be limited by law.

The Group may be subject to statutory restrictions on its right to modify or terminate lease agreements. Recently, several countries in which the Group operates have adopted statutory measures limiting landlord rights as a result of the COVID-19 pandemic. For example, in the Czech Republic, lease agreements could not be terminated by the landlord solely based on a default in rental payments in the period from 12 March 2020 to 30 June 2020, if the failure to pay was due to the restrictions arising from anti-epidemic emergency measures adopted by public authorities in the Czech Republic which made it impossible for the tenant to pursue their business operations or substantially hampered such business operations. In the Slovak Republic, until 31 December 2020, landlords could not unilaterally terminate lease agreements concerning the lease of real estate due to the fact that a tenant is in delay with its relevant payment obligations arising therefrom which became due from 1 April 2020 to 30 June 2020, if such tenant's delay was caused by circumstances related to COVID-19 and resulting from the pandemic. In Hungary, lease agreements for non-residential purposes could not be terminated from 18 March 2020 to 30 June 2020 in the most affected sectors, such as tourism, catering, gambling services, film industry, performing arts, event organising or sports services. In Romania, eligible tenants could apply for rent payment suspension and deferrals from 15 March 2020 to 15 May 2020. Furthermore, the operations of the Group's tenants might be affected by general restrictions adopted by public authorities with a view to mitigating the outbreak of COVID-19, such as travel bans, curfews or closures or businesses. In all jurisdictions in which the Group operates, under certain circumstances, tenants could claim force majeure or hardship or assert inability to use the lease premises to obtain rent discounts, rent suspension or even termination of their lease agreement due to the impact of the COVID-19 pandemic. While the impact of these measures on the Group's business has, up to the date of this Prospectus, been minimal, these and similar statutory restrictions that may be adopted in the future may limit the Group's ability to let its properties at market rent levels or to manage its tenant base as it sees fit, thereby adversely affecting the Group's business, financial condition, results of operations, cash flows and prospects.

The Group is subject to risks in connection with the tax positions taken in the course of the Group's business and could incur unforeseen taxes, special levies, tax penalties and sanctions or lose tax exemptions and benefits.

The Group takes tax positions in the course of its business with respect to various tax matters, including but not limited to the taxation of foreign exchange results, taxation of dividends, capital gains and other revenues, compliance with the arm's length principles in respect of transactions with related parties, the tax deductibility of interest and other operating as well as financial costs and the amount of depreciation or write-down on assets the Group can recognise for tax purposes.

As a vertically integrated group, the Group and its subsidiaries are in the process of concluding and will continue to conclude in the future, a significant number of transactions with related parties across various jurisdictions. Specifically, these transactions relate to the provision of various property management and administration services, development and construction management services and intra-group financing. Although the Group endeavours to follow the arm's length principle as well as unified standards in respect of dealings with affiliates, the Group cannot preclude potential disputes with tax authorities regarding transactions with related parties resulting in potential underpayment of taxes. If any tax authority disagrees with the Group on any interpretive matter or challenges any tax position taken or specific transaction(s), the Group or its subsidiaries may be subject to unexpected tax liabilities or penalties.

In addition, the imposition of any new taxes in the countries in which the Group operates, or changing interpretations or application of tax regulations by either tax authorities or courts, harmonisation of national and

EU tax law and regulation, significant tax disputes with tax authorities, any change in the tax status of any member of the Group, and the possible imposition of penalties and other sanctions due to incorrectly reported or unpaid tax liabilities may result in additional amounts due by the Group. As the Group has been subject to certain corporate restructurings in the past, it cannot be ruled out that the Group or its subsidiaries may be subject to taxes in relation to such restructurings that have not been identified yet.

The materialisation of any of the above risks could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

Risks related to the structure of the Company

The Group's controlling shareholder will retain the ability to exercise control over matters requiring shareholder approval and its interests may conflict with the interests of the Company and the other Shareholders.

Prior to the Offering, Mr. Remon Vos (the "**Founder**") controls, through his associated entities, 100 per cent. of the Company's voting rights. This control is based on the direct and indirect ownership and control of 100 per cent. of the voting rights in the Sole Shareholder. Upon Settlement, the percentage shareholding of the Sole Shareholder, and indirectly of the Founder, is expected to be diluted by approximately 17.7 per cent., resulting in the Sole Shareholder holding approximately 82.3 per cent. of the voting rights in the Company (see "*Sole Shareholder and Related Party Transactions—Holdings immediately prior and after Settlement*"), assuming that the Over-Allotment Option is exercised in full and that the maximum number of the New Shares are issued and sold by the Company in the Offering. By virtue of the level of its voting power as of Settlement, the Sole Shareholder will retain the ability to exercise control over matters requiring shareholder approval as long as the Sole Shareholder will continue to hold a sizeable stake. For example, as the members of the board of the Company (the "**Board**", each member a "**Director**") are appointed by the general meeting of the Company (the "**General Meeting**") upon a binding nomination of the non-executive Directors, (the "**Non-Executive Directors**"), the election of the Board is one of the matters over which the Sole Shareholder may exercise control. In addition, the General Meeting may at all times overrule a binding nomination for the appointment of a Director by a resolution adopted by a majority of the votes cast, representing more than one third of the issued capital. The Sole Shareholder may therefore influence the outcome of a resolution regarding the rejection of the binding nomination of a Director. The Sole Shareholder will also retain the ability to exercise control over, among other things, the increase or decrease of the share capital of the Company, amendments to the Company's articles of association as they will read after the conversion into a public limited liability company on the Settlement Date (the "**Articles of Association**"), the payment of dividends and approval of financial statements of the Company. In addition, the Sole Shareholder is entitled, as long as the Sole Shareholder will continue to hold at least three per cent. of the issued and outstanding share capital in the Company, to request the Board to include items on the agenda of the General Meeting and, as long as the Sole Shareholder's interest in the Company represents at least one-tenth of the Company's share capital, to request a General Meeting to be convened. The Sole Shareholder may through its vote in the General Meeting support strategies and directions that are in its best interests but which may conflict with the interests of the Company and the other Shareholders.

As of the Settlement Date, the Founder is one of the two executive Directors of the Board (the "**Executive Directors**"), holding the title of Chief Executive Officer of the Board. The Founder is appointed for an indefinite period of time, and may be reappointed without any limit on the number of times of appointment as Director and for an indefinite period of time. Pursuant to the Articles of Association, the Board as a whole, as well as each Executive Director individually, is authorised to represent the Company. In the event of a tied vote in the Board, the Founder will have a casting vote, if (i) he is a Director, (ii) he is not considered unable to act and (iii) is entitled to vote on the proposal concerned. This leaves the Founder with significant management power.

The Group may be adversely affected by the Company's transition to becoming a public company or a failure by the Company to comply with the additional requirements.

The Company's transition to become a public company involves, in particular, changes in the Company's corporate governance, financial and non-financial reporting requirements as well as the implementation of an internal compliance framework and function. Subject to the Admission, the Company will become for the first time subject to the legal requirements of a company listed on a regulated market. This will be a new situation for the Company and the Company will need the expertise necessary to comply with the numerous regulatory and other requirements applicable to public companies, including requirements relating to corporate governance, listing standards, more detailed financial and non-financial disclosure requirements (for example with respect to the timely publication of financial results or inside information), and securities and potential investor relations issues, which requires significant management attention and results in increased costs which may be significantly higher than currently anticipated.

The Group periodically evaluates the effectiveness of the design and operation of its system of internal controls with the objective of providing reasonable assurance that (i) transactions are properly authorised; (ii) assets are safeguarded against unauthorised or improper use; and (iii) transactions are properly recorded and reported, all to permit the preparation of financial information in conformity with applicable accounting principles. However, upon becoming a public company, the Group's management will have to re-evaluate the internal control system independently with new materiality thresholds, and to implement necessary changes to its internal control system. Yet, any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. There is therefore no assurance that the Group's operational management will always be performed in an orderly and careful manner, with well-defined objectives and that it will be successful in preventing uneconomic and inefficient use of resources.

Failure to respond to these additional requirements without difficulties or inefficiencies and compliance violations could result in sanctions imposed by regulatory authorities, including a termination of the trading of the Shares as well as cause the Group to incur significant additional costs and expose the Group to civil litigation and penalties.

RISKS RELATING TO THE SHARES

Risks related to the nature of the Shares

The payment of future dividends will depend on the Group's financial condition and results of operations, as well as on the Group's operating subsidiaries' distributions to the Company.

Distribution of an annual dividend will take place after the adoption of the annual accounts referred to in article 2:391 BW (the "**Annual Accounts**") by the General Meeting which show that the distribution is allowed, or, in the case of an interim dividend, it appears from an interim statement of assets signed by the Board that the distribution is allowed. The Company may only make distributions to its Shareholders insofar as the Company's equity exceeds the sum of the paid-up and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association. The Board determines whether the Company is able to make the distributions and the distribution by the Company of interim dividend and the distribution of dividend in the form of Shares is subject to the prior approval of the Board. Because the Company is a holding company that conducts its operational business mainly through its subsidiaries, the Company's ability to pay dividends depends directly on the Company's operating subsidiaries' distributions to the Company and the amount and timing of such distributions will depend on the laws of the operating companies' respective jurisdictions. This could restrict the Company's ability to pay dividends.

Future issuances or sales of Shares or debt or equity securities convertible into Shares by the Company or future sales of Shares by Directors or the Sole Shareholder may adversely affect the market price of the Shares, and any future issuance of Shares may dilute investors' shareholdings.

On the Settlement Date, the Board is expected to be granted the authority to issue Shares or rights to subscribe for Shares in the capital of the Company for a period of 18 months following the conversion into a public limited liability company (*naamloze vennootschap*) and to limit or exclude the pre-emptive rights pertaining to such Shares. Pursuant to this designation, the Board may resolve to issue Shares or grant rights to subscribe for Shares up to a maximum of 10 per cent. of the number of Shares issued as of the Settlement Date and to limit or exclude pre-emptive rights in relation thereto.

The Group may in the future seek to raise capital through public or private debt or equity financings by issuing additional Shares, debt or equity securities convertible into Shares or rights to acquire these securities and exclude the pre-emptive rights pertaining to the then outstanding Shares. In addition, the Company may in the future seek to issue additional Shares as consideration for or otherwise in connection with the acquisition of new businesses. Furthermore, the Company may issue Shares in the context of any management or employee incentive arrangement. The issuance of any additional Shares may dilute an investor's shareholding interest in the Company. Furthermore, any additional debt or equity financing the Group may need may not be available on terms favourable to the Group or at all, which could adversely affect the Group's future plans and the market price of the Shares. Any additional offering or issuance of Shares by the Company, or the perception that an offering or issuance may occur, could also have a negative impact on the market price of the Shares and could increase the volatility in the trading price of the Shares.

Furthermore, a sale of Shares by any or all of the Directors or the Sole Shareholder could be considered as a lack of confidence in the performance and prospects of the Group and could cause the market price of the Shares to decline. Although in the Underwriting Agreement, the Company has agreed to restrictions on its ability to issue, sell or transfer Shares for a period of 180 days after the Settlement Date and the Sole Shareholder has agreed to restrictions on its ability to sell or transfer Shares for a period of 360 days after the Settlement Date, and in lock-up deeds between the Executive Directors, respectively, and the Joint Global Co-ordinators (on behalf of themselves and the other Underwriters) (the "**Lock-up Deeds**"), the Executive Directors have agreed to restrictions on their ability to sell or transfer Shares for a period of 360 days after the Settlement Date, the Joint Global Coordinators may, in their sole discretion and at any time, waive such restrictions on issuances, sales or transfers. See "*Plan of Distribution—Lock-up Arrangements*".

Holders of Shares outside the Netherlands may suffer dilution if they are unable to exercise pre-emptive rights in future offerings.

In the event of an increase in the Company's share capital, holders of Shares are generally entitled to full pre-emptive rights unless these rights are limited or excluded either by virtue of Dutch Law, a resolution of the General Meeting, or by a resolution of the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote (if the Board has been authorised by the General Meeting to do so). However, certain holders of Shares outside the Netherlands may not be able to exercise pre-emptive rights, and therefore suffer dilution, unless local securities laws have been complied with.

In particular, a beneficial owner of Offer Shares who is also (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organised in or under the laws of the United States, any state therein or the District of Columbia; or (iii) an estate or trust the income of which is subject to US federal income taxation regardless of its source (a "**U.S. Holder**"), may not be able to exercise its pre-emptive rights or participate in a rights offer, as the case may be, unless a registration statement under the US Securities Act of 1933, as amended, is effective with respect to such rights or an exemption from the registration requirements is available. The Group intends to evaluate at the time of any issue of Shares subject to pre-emptive rights or in a rights offer, as the case may be, the costs and potential liabilities associated with any such registration statement, as well as the indirect benefits to it of enabling the exercise of U.S. Holders of their pre-emptive rights to Shares or participation in a rights offer, as the case may be, and any other factors considered appropriate at the time and then to make a decision as to whether to file such a registration statement. The Group cannot assure investors that any registration statement would be filed as to enable the exercise of such holders' pre-emptive rights or participation in a rights offer.

Risks related to the Offering and Offer Shares

The Shares have not been publicly traded, and there is no guarantee that an active and liquid market for the Shares will develop.

Prior to the Admission, there has been no public trading market for the Shares. There can be no assurance that an active trading market for the Shares will develop after the Admission or, if it does develop, that it will be sustained or liquid. If such market fails to develop or be sustained, this could negatively affect the liquidity and price of the Shares, as well as increase their price volatility. In addition, an illiquid market for the Shares may result in lower market prices and increased volatility, which could adversely affect the value of an investment in the Shares.

The Company's Share price may fluctuate significantly, and investors could lose all or part of their investment.

The Offer Price may not be indicative for the market price of the Shares after the Offering has been completed. The market price of the Shares could also fluctuate substantially due to factors such as the risks described in "—*Risks related to the Group's business and industry generally*", the risks described in "*—Risks related to the markets in which the Group operates*" or factors relating to the equity markets generally. As a result of such factors, the Shares may trade at prices significantly below the Offer Price. The Company cannot assure that the market price of the Shares will not decline, and the Shares may trade at prices significantly below the Offer Price, regardless of the Group's actual operating performance, and investors could lose all or part of their investment.

If closing of the Offering does not take place, purchases of the Shares will be disregarded and transactions effected in the Shares will be annulled.

Application has been made to list the Shares on Euronext Amsterdam under the symbol "CTPNV". The Company expects that the Shares will be admitted to listing and that trading in the Offer Shares will commence prior to the Settlement Date on the First Trading Date on an "as-if-and-when-issued" basis. The closing of the Offering may not take place on the Settlement Date or at all, if certain conditions of events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date (see "*Plan of Distribution*"). Trading in the Shares before the closing of the Offering will take place subject to the condition that, if closing of the Offering does not take place, the Offering will be withdrawn, all applications for the Shares will be disregarded, any allotments made will be deemed not to have been made, any application payments made will be returned without interest or other compensation and transactions on Euronext Amsterdam will be annulled. All dealings in the Shares prior to settlement and delivery are at the sole risk of the parties concerned. The Company, the Listing and Paying Agent, the Underwriters, the Financial Adviser and/or Euronext Amsterdam N.V. do not accept any responsibility or liability for any loss incurred by any person as a result of a withdrawal of the Offering or the related annulment of any transaction on Euronext Amsterdam.

There is a significant risk that the Company may be a passive foreign investment company for United States federal income tax purposes for the current year and in future years, which could cause U.S. holders of the Shares to suffer adverse tax consequences.

In general, a non-U.S. corporation will be a passive foreign investment company (a "**PFIC**") for United States federal income tax purposes for any taxable year in which (i) 75 per cent. or more of its gross income consists of passive income or (ii) 50 per cent. or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income. Passive income generally includes interest, rents, dividends, royalties and certain gains. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash generally is a passive asset.

Based on the nature of the Company's business and the expected composition of the Company's income and assets and the value of the its assets, including goodwill, which is based on the expected price of the Shares in this Offering, there is a significant risk that the Company may be classified as a PFIC for its current taxable year ending 31 December 2021, and may be so classified in future taxable years. Because (i) a company's PFIC status is an annual determination that can be made only after the end of each taxable year, (ii) the Company's PFIC status for each taxable year will depend on the composition of the Company's income and assets and the value of its assets from time to time (which may be determined by reference to the market value of the Shares, which may be volatile), and (iii) the Company will hold a substantial amount of cash following this Offering, the Company cannot assure that it will not be a PFIC for the current or any future taxable year. Generally, if the Company were a PFIC for any taxable year during which a U.S. Holder held the Shares, gains recognised upon a disposition (including, under certain circumstances, a pledge) of Shares by such U.S. Holder generally would be subject to less favourable tax rates and, under certain circumstances, could be subject to an additional interest charge. Further, to the extent that any distribution such U.S. Holder receives on its Shares exceeds 125 per cent. of the average of the annual distributions on such Shares received during the preceding three years or such U.S. Holder’s holding period, whichever is shorter, such distribution could be subject to taxation in a similar manner and certain favourable tax rates with respect to dividends paid to certain non-corporate U.S. Holders would not apply. See “*Taxation—Certain United States Federal Income Tax Considerations—Passive Foreign Investment Company Rules.*”. Prospective investors should consult their tax advisers regarding whether the Company is a PFIC for any taxable year and the potential application of the PFIC rules to their ownership of the Shares.

IMPORTANT INFORMATION

General

The content of this Prospectus is not to be considered or interpreted as legal, financial or tax advice. Prior to making any decision whether to subscribe for or purchase the Offer Shares, prospective investors should read this Prospectus. Investors should ensure that they read the whole of this Prospectus and not just rely on key information or information summarised within it. Each prospective investor should consult his or her own stockbroker, bank manager, lawyer, auditor or other financial, legal or tax advisers before making any investment decision with regard to the Offer Shares, among other things to consider such investment decision in light of his or her personal circumstances and in order to determine whether or not such prospective investor is eligible to subscribe for the Offer Shares. In making an investment decision, prospective investors must rely on their own examination and analysis of the Company, the Shares and the terms of the Offering, including the merits and risks involved.

Prospective investors should rely only on the information contained in this Prospectus, the Pricing Statement and any supplement to this Prospectus within the meaning of article 23 of the Prospectus Regulation. The Company does not undertake to update this Prospectus, unless required pursuant to article 23 of the Prospectus Regulation, and therefore potential investors should not assume that the information in this Prospectus is accurate as of any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the Admission or any offering of Shares (including the Offering), other than as contained in this Prospectus, and, if given or made, any other such information or representations must not be relied upon as having been authorised by the Company, the members of the Board, the Listing and Paying Agent, the Financial Adviser, any of the Underwriters and/or any of their respective affiliates and/or representatives. The delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.

No representation or warranty, express or implied, is made or given by the Listing and Paying Agent, the Underwriters, the Financial Adviser and/or any of their respective affiliates and/or any of their respective directors, officers or employees and/or any other person(s), as to the accuracy, completeness or fairness of the information or opinions contained in this Prospectus, or incorporated by reference herein, and nothing in this Prospectus, or incorporated by reference herein, is, or shall be relied upon as, a promise or representation by the Listing and Paying Agent, the Underwriters and/or the Financial Adviser and/or any of their respective affiliates and/or representatives as to the past or future. None of the Listing and Paying Agent, the Underwriters nor the Financial Adviser accepts any responsibility whatsoever for the contents of this Prospectus, for any omissions from this Prospectus and/or for any other statements made or purported to be made by either itself and/or on its behalf in connection with the Company, the Group, the Offering or the Shares. Accordingly, the Listing and Paying Agent, the Underwriters and the Financial Adviser disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or which they might otherwise be found to have in respect of this Prospectus and/or any such omission or statement.

Although the Underwriters are party to various agreements pertaining to the Offering and each of the Underwriters has entered or might enter into a financing arrangement with the Company or any of its affiliates, this should not be considered as a recommendation by any of them to invest in the Offer Shares.

The distribution of this Prospectus and the Offering may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer of, or an invitation to, subscribe for or purchase any Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. The Company, the Financial Adviser and the Underwriters require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. None of the Company, the Underwriters, the Financial Adviser nor any of their respective affiliates and/or representatives accepts any legal responsibility for any violation by any person, whether or not a prospective subscriber or purchaser of Offer Shares, of any such restrictions. The Company and the Underwriters reserve the right in their own absolute discretion to reject any offer to subscribe or purchase Offer Shares that the Company, the Underwriters or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.

Responsibility Statement

This Prospectus is made available by the Company. The Company accepts responsibility for the information contained in this Prospectus. The Company declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; (c) Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"); and (d) local implementing measures (together, the "**Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II and paragraph 3 of the FCA Handbook Conduct of Business Sourcebook (as applicable); and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is provided for information purposes only and is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering (including the "*Risk Factors*" as included herein).

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

Presentation of Financial and Other Information

Unless otherwise indicated, the financial information in this Prospectus relating to the Group has been derived from the audited consolidated financial statements of the Company for the extended period from 1 January 2019 to 31 December 2020, which comprise the consolidated statements of financial position as of 31 December 2020 and 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 and the year ended 31 December 2018, and the related notes to the consolidated financial statements (the "**Financial Statements**"), which are included elsewhere in this Prospectus. The Financial Statements are a reproduction of the statutory financial statements of the Company and have been provided with an audit opinion by the external auditor for purposes of this Prospectus. In addition, the Group included in the Financial Statements also the unaudited consolidated statement of financial position as of 31 December 2019 and the related unaudited consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the periods 1 January 2019 to 31 December 2019 and 1 January to 31 December 2020. However, such information is not audited.

The Financial Statements should be read in conjunction with the accompanying notes thereto and the auditor's report thereon. The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**").

The Company was incorporated on 21 October 2019 as a holding company for the Group as part of its corporate restructuring. The Group originally operated through two sub-groups under common control: (i) CTP Property B.V. with its consolidated subsidiaries as the holding entities of the income producing property portfolio of the Group (the "**CTP Property Sub-Group**"); and (ii) CTP Invest with its consolidated subsidiaries as the development and property management arm (the "**CTP Invest Sub-Group**" and together with the CTP Property Sub-Group, the "**Sub-Groups**"). On 31 October 2019, the CTP Property Sub-Group was transferred to the Company and on 27 January 2020, the CTP Invest Sub-Group was transferred to the Company to form the Group as it exists as of the date of this Prospectus (together, the "**Restructuring**"). The Group undertook the Restructuring to achieve a better and more logical organisation of the Group with its core and non-core business divided each under a separate Sub-Group under the Issuer, i.e. the logistics and industrial portfolio on one hand and the development and management services, hotels, offices and land bank on the other hand. In addition, the Group undertook the Restructuring to prepare the Group for the Offering. Prior to the Restructuring, the Sub-Groups were under common control for the whole period covered by the Financial Statements. For the current structure of the Group, please see "*Business Overview—Group Structure*".

The Company's first statutory financial year was extended and ran from the date of its incorporation on 21 October 2019 to 31 December 2020. In order to present the Group as it exists today and to provide investors with meaningful and more representative historical financial information relevant to their investment decision, the Group has prepared the Financial Statements, which cover the period from 1 January 2018 to 31 December 2020 and include:

- the consolidated statement of financial position as of 31 December 2020 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 prepared as if the Restructuring took place on 1 January 2019 in accordance with standard practice under common control transactions;
- comparative consolidated statement of financial position as of 31 December 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2018 to 31 December 2018; and
- in addition, separate unaudited consolidated statement of financial position as of 31 December 2019 and the consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the periods (i) 1 January 2019 to 31 December 2019 and (ii) 1 January 2020 to 31 December 2020.

This Prospectus and the "*Operating and Financial Review*" provide and discuss financial information for each of the calendar years ended 31 December 2020, 2019 and 2018 separately and do not provide or discuss financial information for the extended financial period from 1 January 2019 to 31 December 2020.

The Company's financial year ends on 31 December and references in this Prospectus to any specific year are to the 12-month period ended on 31 December of such year. The Financial Statements and financial information included elsewhere in this Prospectus have, unless otherwise noted, been presented in euro.

Alternative performance measures

This Prospectus contains certain financial information and measures that are not defined or recognised under IFRS and which are considered to be "alternative performance measures" as defined by the "*ESMA Guidelines on Alternative Performance Measures*" issued by the European Securities and Markets Authority on 5 October 2015 ("**APMs**"). Accordingly, the APMs have not been audited or reviewed. The Company has included the following APMs in this Prospectus:

- income statement metrics: EBITDA, Adjusted EBITDA, EPRA Earnings, EPRA Earnings per Share, Company specific Adjusted Earnings, Company specific Adjusted Earnings per Share and Like-for-Like Rental Income Growth;
- balance sheet metrics: GAV and EPRA NTA;
- yields: Gross Yield, EPRA Net Initial Yield, EPRA Topped-up Net Initial Yield, Valuation Yield and Yield on Cost; and
- selected debt and other ratios: Average Cost of Debt, ICR and Net LTV.

The Company has included the APMs in this Prospectus because they represent key measures used by management to evaluate the Group's operating performance. Further, management believes that the presentation of the APMs is helpful to prospective investors because these and other similar measures and related ratios are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. Management also believes that the APMs facilitate operating performance comparisons on a period-to-period basis to exclude the impact of items, which management does not consider to be indicative of the Group's core operating performance.

Terms used in this Prospectus including EBITDA, Adjusted EBITDA, GAV, Gross Yield, Valuation Yield, Yield on Cost, Average Cost of Debt or Net LTV do not represent the terms of the same or similar names as may be used by other companies or defined by any documentation for any financial liabilities of the Group.

"**EBITDA**" is defined as profit or loss for the period attributable to parent excluding Income tax expenses, interest income, interest expense and depreciation and amortisation.

The following table provides a reconciliation of the Group's and the Group's segments EBITDA for the years ended 31 December 2020, 2019 and 2018:

	Czech Republic	**Romania**	**Hungary**	**Slovakia**	**Hotels**	**Other**	**Inter segment eliminations**	**Total**
				(in EUR thousands)				
2020								
Profit / loss for the period attributable to parent Company	146,015	42,245	53,998	14,456	(6,669)	2,073	--	**252,118**
Amortisation and depreciation	7,909	231	151	67	1,943	161	--	**10,462**
Interest Income	(2,470)	--	(13)	--	(197)	(8,976)	10,703	**(953)**
Interest expense	42,091	18,198	5,860	5,329	671	7,088	(10,703)	**68,534**
Income tax expenses	24,986	662	6,765	4,081	(1,394)	2,801	--	**37,901**
EBITDA	**218,531**	**61,336**	**66,761**	**23,933**	**(5,646)**	**3,147**	**--**	**368,062**
2019								
Profit / loss for the period attributable to parent Company	239,152	66,376	48,051	27,172	1,703	9,721	--	**392,175**
Amortisation and depreciation	7,165	355	225	51	1,860	97	--	**9,753**
Interest Income	(2,641)	(1)	(7)	--	(321)	(7,186)	9,574	**(582)**
Interest expense	39,344	16,039	5,532	4,475	1,066	137	(9,574)	**57,019**
Income tax expenses	77,989	13,776	4,213	10,096	515	1,959	--	**108,548**
EBITDA	**361,009**	**96,545**	**58,014**	**41,794**	**4,823**	**4,728**	**--**	**566,913**
2018								
Profit / loss for the period attributable to parent Company	241,288	43,196	18,208	18,262	1,669	106,133	**(63,856)**	**364,900**
Amortisation and depreciation	3,561	242	82	51	1,782	120	--	**5,838**

Interest Income	(3,842)	--	--	--	(6)	(6,198)	8,093	**(1,953)**
Interest expense	41,199	12,398	4,663	3,569	1,068	754	(8,093)	**55,558**
Income tax expenses	45,214	9,186	2,070	773	314	3,113	--	**60,670**
EBITDA	**327,420**	**65,022**	**25,023**	**22,655**	**4,827**	**103,922**	**(63,856)**	**485,013**

The Company presents EBITDA because management believes it is a meaningful measure to evaluate the operating performance of the Group on a consistent basis over time. EBITDA makes the underlying performance of the Group's business more visible by factoring out depreciation, amortisation, interest income and interest expenses and income tax expenses. This measure is also commonly used by investors, analysts and rating agencies to assess performance.

"**Adjusted EBITDA**" is defined as EBITDA adjusted for items that are not indicative of the Group's ongoing operating performance such as net valuation result on investment property, other financial expense, other financial gains and losses, profit (loss) on disposal of investment properties and the net result from the turn-key development project in Stříbro in the Czech Republic.[8]

The following table provides a reconciliation of the Group's and the Group's segments' Adjusted EBITDA for the years ended 31 December 2020, 2019 and 2018:

	Czech Republic	**Romania**	**Hungary**	**Slovakia**	**Hotels**	**Other**	**Inter-segment elimination**	**Total**
				(in EUR thousands)				
2020								
EBITDA	218,531	61,336	66,761	23,933	(5,646)	3,147	--	**368,062**
Net valuation result on investment property	(62,577)	(22,681)	(53,092)	(5,037)	--	(8,775)	--	**(152,162)**
Other financial expense	4,303	2,863	744	1,133	235	2,222	--	**11,500**
Other financial gains / losses	23,033	(2,744)	2,496	(657)	146	105	--	**22,379**
Profit (loss) on disposal of investment properties	--	--	--	--	--	933	--	**933**
Net income from development activities for turn-key project	(22,090)	--	--	--	--	--	--	**(22,090)**
Adjusted EBITDA	**161,200**	**38,774**	**16,909**	**19,372**	**(5,265)**	**(2,368)**	--	**228,622**
2019								
EBITDA	**361,009**	**96,545**	**58,014**	**41,794**	**4,823**	**4,728**	--	**566,913**
Net valuation result on investment property	(257,983)	(67,064)	(48,525)	(27,106)	--	(6,097)	--	**(406,775)**
Other financial expense	12,918	1,689	622	493	172	50	--	**15,944**
Other financial gains / losses	41,937	834	1,766	(297)	90	479	--	**44,809**
Profit (loss) on disposal of investment properties	(5,575)	(47)	16	659	--	(895)	--	**(5,842)**

[8] The net result from the turn-key project was not indicative of ongoing operating performance as the project was the only turn-key project in the Group's history, therefore no comparable numbers are available for previous years. The Group currently has no intention to undertake turn-key projects in the future and it undertakes developments only to grow its own property portfolio.

Net income from development activities for turn-key project	(530)	--	--	--	--	--	--	**(530)**
Adjusted EBITDA	**151,776**	**31,957**	**11,893**	**15,543**	**5,085**	**(1,735)**	--	**214,519**
2018								
EBITDA	**327,420**	**65,022**	**25,023**	**22,655**	**4,827**	**103,922**	**(63,856)**	**485,013**
Net valuation result on investment property	(155,502)	(40,410)	(20,498)	(9,497)	--	(13,473)	**--**	**(239,380)**
Other financial expense	5,457	1,529	262	141	399	193	**--**	**7,981**
Other financial gains / losses	(2,504)	964	(556)	616	168	(63,905)	**63,856**	**(1,361)**
Profit (loss) on disposal of investment properties	(17,448)	(3,506)	(822)	--	--	(23,581)	**--**	**(45,357)**
Net income from development activities for turn-key project	--	--	--	--	--	--	**--**	**--**
Adjusted EBITDA	**157,423**	**23,599**	**3,409**	**13,915**	**5,394**	**3,156**		**206,896**

The Company presents Adjusted EBITDA because it excludes items that the Company does not believe are indicative of the Group's ongoing operating performance and allows management to view operating trends, perform analytical comparisons and benchmark performance between periods and among the Group's segments. Management believes that adjusting for these items which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables better understanding of the underlying performance of the Group.

EBITDA and Adjusted EBITDA are influenced by specific items that are not adjusted because they are still indicative of ongoing operating performance whilst they are not considered part of the Group's core business. For the year ended 31 December 2020, these items include an impairment loss of hotel portfolio in the amount of EUR 4.7 million, general and administrative costs associated with establishing a capital markets structure in the amount of EUR 3.4 million, receivables write-off in the amount of EUR 1.4 million. There were no comparable items in the years ended 31 December 2019 and 2018.

"**EPRA Earnings**" is defined as the profit for the period adjusted for the after (deferred) tax effect from the exclusion of the net valuation result, the change in the fair value of financial instruments and associated close-out costs, result from disposals of investment properties and other interests and foreign currency translation result.

The following table provides a reconciliation of the Group's EPRA Earnings as of 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Profit for the period attributable to equity holders of the Company...	252,118	392,175	364,900
Net valuation result on investment property............	152,162	406,775	239,380
Profit/loss on disposal of investment properties	(933)	5,842	45,357
Tax on profits or losses on disposal.........................	-	(285)	(1,443)
Changes in fair value of financial instruments and associated close-out costs	(40,272)	(32,994)	(10,441)
Deferred tax out of above adjustments	(14,234)	(93,301)	(42,746)
EPRA Earnings...	**155,395**	**106,138**	**134,793**

The Company presents EPRA Earnings as defined by the European Public Real Estate Agency to show the income return generated by the investment. This measure is commonly presented by real estate companies and useful to investors, analysts and for benchmarking with peers.

"**EPRA Earnings per Share**" is defined as EPRA Earnings based upon the number of shares as of 31 December 2020.

The following table provides a reconciliation of the Group's EPRA Earnings per Share as of 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
	(*in EUR, except number of shares*)		
EPRA Earnings (*in EUR thousands*)	155,395	106,138	134,793
Number of shares as of 31 December 2020 (*in thousands*)	336,000	336,000	336,000
EPRA Earnings per Share (*in EUR*)	**0.46**	**0.32**	**0.40**

The Company presents EPRA Earnings per Share as defined by the European Public Real Estate Agency to show the income return generated by the investment per share. This measure is commonly presented by real estate companies and useful to investors, analysts and for benchmarking with peers.

"**Company specific Adjusted Earnings**" is defined as EPRA Earnings adjusted for the after (deferred) tax effect from the adjustment for rental income for sold portfolio, impairment/depreciation on hotel portfolio and acquisitions, foreign exchange gains/losses related to company restructuring and associated costs with establishment capital market structure.

The following table provides a reconciliation of the Group's Company specific Adjusted Earnings as of 31 December 2020, 2019 and 2018:

	As of 31 December		
	2020	**2019**	**2018**
	(*in EUR thousands*)		
EPRA Earnings	155,395	106,138	134,793
Adjustment for rental income included in 2018 for sold portfolio to DEKA	-	-	14,742
Impairment/depreciation on hotel portfolio and acquisitions	(6,122)	-	-
FX related to company restructuring	17,866	(11,883)	11,135
Adjustment associated costs with establishment capital market structure(1)	(6,479)	(8,569)	-
Deferred tax in respect of Company specific adjustments	1,163	-	-
Company specific Adjusted Earnings	**148,967**	**126,590**	**108,916**

Notes:

(1) Costs associated with the establishment of a capital market structure include costs for technical and legal due diligence and costs for premature loan repayments.

The Company presents Company specific Adjusted Earnings to show underlying result of core activities and to indicate to which degree dividend payments are supported by profit.

"**Company specific Adjusted Earnings per Share**" is defined as Company specific Adjusted Earnings based upon the number of shares as of 31 December 2020.

The following table provides a reconciliation of the Group's Company specific Adjusted Earnings per Share as of 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
Company specific Adjusted Earnings (*in EUR thousands*)	148,967	126,590	108,916

Number of shares as of 31 December 2020 (*in thousands*)	336,000	336,000	336,000
Company specific Adjusted Earnings per Share	**0.44**	**0.38**	**0.32**

The Company presents Company specific Adjusted Earnings per Share to show underlying result of core activities and to indicate to which degree dividend payments are supported by profit per number of shares as of 31 December 2020.

"**Like-for-Like Rental Income Growth**" is defined as organic growth of the contracted rental income year-on-year, excluding development projects, acquisitions, vacancy movement and disposals during both periods of this comparison.

	Year ended 31 December		
	2020	**2019**	**2018**
		(*in per cent.*)	
Group	1.5	1.4	1.5
Czech Republic	1.6	1.5	1.6
Romania	1.3	1.2	0.6
Hungary	1.0	0.4	1.9
Slovakia	1.5	1.5	0.6

The Company presents Like-for-Like Rental Income Growth to show the development of the rental income for the income generating portfolio throughout the years and to indicate the growth of rental income.

"**GAV**" is defined as the gross asset value calculated as the aggregate of investment property, investment property under development and property, plant and equipment as presented in the financial statements in accordance with IFRS.

The following table provides a reconciliation of the Group's and the Group's segments' GAV as of 31 December 2020, 2019 and 2018:

	Czech Republic	**Romania**	**Hungary**	**Slovakia**	**Hotels**	**Other**	**Total**
				(*in EUR thousands*)			
2020							
Investment Property(1)	3,543,874	943,630	371,820	362,940	--	163,966	**5,386,230**
Investment Property under Development	246,246	32,199	68,579	24,180	--	16,143	**387,347**
Property, plant and equipment (PPE)	37,658	683	300	188	59,492	563	**98,884**
GAV	**3,827,778**	**976,512**	**440,699**	**387,308**	**59,492**	**180,672**	**5,872,461**
2019							
Investment Property(1)	3,314,964	695,729	281,300	314,620	--	114,745	4,721,358
Investment Property under Development	243,901	78,190	60,167	48,107	--	10,362	440,727
Property, plant and equipment (PPE)	41,424	631	340	155	74,168	372	117,090
GAV	**3,600,289**	**774,550**	**341,807**	**362,882**	**74,168**	**125,480**	**5,279,175**
2018							
Investment Property(1)	2,929,548	575,940	231,305	217,802	--	69,373	4,023,968
Investment Property	190,027	53,357	18,519	43,610	--	9,844	315,357

under Development Property, plant and equipment (PPE)	47,026	885	310	167	71,021	354	119,763
GAV	**3,166,601**	**630,182**	**250,134**	**261,579**	**71,021**	**79,571**	**4,459,088**

Notes:
(1) The Group's income producing assets consist of investment property with land bank.

The Company presents GAV to provide the stakeholders with relevant information on the fair value of assets and liabilities.

"**EPRA NTA**" or "**EPRA Net Tangible Assets**" is defined as total equity attributable to owners of the Company excluding deferred tax in relation to net valuation result of investment property and investment property under development with intention to hold and not sell in the long run, excluding Fair value of financial instruments and excluding intangibles.

The following table provides a reconciliation of the Group's EPRA NTA as of 31 December 2020, 2019 and 2018:

	As of 31 December		
	2020	**2019**	**2018**
		(*in EUR thousands*)	
Total equity attributable to the owners of the Company	2,263,202	2,042,223	960,072
Deferred tax from revaluation of investment property for portfolio with intention to hold and not to sell in the long run	500,129	490,526	396,369
Fair value of derivatives (Net of derivative assets and liabilities)	34,066	15,385	14,725
Intangibles	(2,418)	(3,305)	(4,536)
EPRA NTA	**2,794,979**	**2,544,829**	**1,366,630**

The Company presents EPRA NTA to provide the stakeholders with relevant information on the fair value of assets and liabilities to be held on a long-term basis.

"**Gross Yield**" is defined as a percentage of annual rental income not reflecting any expenses (i.e. property operating expenses, maintenance costs, stamp duty) divided by market value of investment property.

	As of 31 December		
	2020	**2019**	**2018**
Rental income (*in EUR thousands*)	291,935	257,986	241,960
Fair market value of investment property (*in EUR thousands*)	5,386,230	4,721,358	4,023,968
Gross Yield (*in per cent.*)	**5.4**	**5.5**	**6.0**

The Company presents Gross Yield to show the average yield used for the valuation of Company's income generating investment properties.

"**EPRA Net Initial Yield**" is defined as annualised rental income based upon the cash passing rent at balance sheet date less non recoverable property operating expenses divided by the market value of income-generating investment property.

The following table provides a reconciliation of the Group's EPRA Net Initial Yield as of 31 December 2020, 2019 and 2018:

	As of 31 December		
	2020	**2019**	**2018**
	(*in EUR thousands, unless otherwise indicated*)		
Investment property	5,386,230	4,721,358	4,023,968
Land bank	(325,945)	(295,198)	(277,082)

Total investment property completed portfolio	5,060,285	4,426,160	3,746,886
Annualised rental income	302,816	270,532	235,765
Non-recoverable property operating expenses	7,454	7,129	7,922
Annualised net rental income	295,362	263,403	227,843
EPRA Net Initial Yield (*in per cent.*)	**5.8**	**6.0**	**6.1**

The Company presents EPRA Net Initial Yield to provide stakeholders with comparable and consistent disclosure of yield measures.

"**EPRA Topped-up Net Initial Yield**" is defined as annualised rental income based upon the cash passing rent at balance sheet date less non recoverable property operating expenses adjusted notional rent expiration of for rent free periods and other lease incentives divided by the market value of income-generating investment property.

The following table provides a reconciliation of the Group's EPRA Topped-up Net Initial Yield as of 31 December 2020, 2019 and 2018:

	As of 31 December		
	2020	**2019**	**2018**
	(*in EUR thousands, unless otherwise indicated*)		
Investment property	5,386,230	4,721,358	4,023,968
Land bank	(325,945)	(295,198)	(277,082)
Total Investment property completed portfolio	5,060,285	4,426,160	3,746,886
Annualised rental income	302,816	270,532	235,765
Non-recoverable property operating expenses	7,454	7,129	7,922
Notional rent expiration of rent free periods or other lease incentives	19,724	18,358	18,184
Topped-up annualised net rental income	315,086	281,761	246,027
EPRA Topped-up Net Initial Yield (*in per cent.*)	**6.2**	**6.4**	**6.6**

The Company presents EPRA Topped-up Net Initial Yield to provide stakeholders with comparable and consistent disclosure of yield measures.

"**Valuation Yield**" is defined as annualised rental income as a percentage of GAV of investment property owned by the Group, excluding the value of the Group's land bank.

	As of 31 December		
	2020	**2019**	**2018**
	(*in EUR thousands, unless otherwise indicated*)		
Annualised rental income	302,816	270,532	235,765
Investment property	5,386,230	4,721,358	4,023,968
Land bank	(325,945)	(295,198)	(277,082)
Investment property excl. land bank	5,060,285	4,426,160	3,746,886
Valuation Yield (*in per cent.*)	**6.0**	**6.1**	**6.3**

The Company presents Valuation Yield to show the average capitalisation rate used in the portfolio for benchmarking to peers. This measure is used by banks, analysts, rating agencies and investors in assessing the Group's performance.

"**Yield on Cost**" is defined as average contracted rental value divided by development cost including land and excluding financing, marketing, rent free periods and project management costs for benchmark projects.

The following table provides a reconciliation of the Group's Yield on Cost for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
Average contracted rental value (in EUR per square metre per year)	55.7	71.4	46.1
Development cost including land (in EUR per square metre)	481,8	529.8	425.6
Yield on Cost (*in per cent.*)	11.6	13.5	10.8

The Company presents Yield on Cost to show profitability on development in order for benchmarking to peers. This measure is used by banks, analysts, rating agencies and investors in assessing the Group's performance.

"**Average Cost of Debt**" is defined as the total of bank interest expense, interest expense from financial derivatives and interest expense from bonds issued, excluding interest expense from liabilities due from related parties and arrangement fees for the reporting period, divided by the average total balance of interest-bearing loans and borrowings from financial institutions and bonds issued for that same period.

The following table provides a reconciliation of the Group's Average Cost of Debt for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
	(in EUR thousands, unless otherwise indicated)		
Interest expense excluding interest expense from liabilities due from related parties and arrangement fees	60,626	51,318	51,479
Average debt balance	3,055,540	2,413,264	2,094,281
Average Cost of Debt (*in per cent.*)	**2.0**	**2.1**	**2.5**

The Group currently intends to use the proceeds of its EUR 500 million bond issued in February 2021 (see "*Operating and Financial Review—Financing arrangements of the Group*") for prepayments of credit facilities in March 2021. On 10 March 2021, the Group prepaid the first part of such credit facilities in the amount of EUR 249 million. Once all remaining prepayments in the amount of approximately EUR 240 million are completed, the Group's Average Cost of Debt will decrease to 1.6 per cent.

The Company presents Average Cost of Debt to show the impact of external financing on its business. This measure is used by banks, analysts, rating agencies and investors in assessing the Group's performance.

"**ICR**" is defined as the ratio of the Group's total bank interest expense, interest expense from financial derivatives and interest expense from bonds issued, excluding interest expense from liabilities due from related parties and arrangement fees to Adjusted EBITDA.

	As of 31 December		
	2020	**2019**	**2018**
	(*in EUR thousands, except ratio*)		
Interest expense excluding interest expense from liabilities due from related parties and arrangement fees	60,626	51,318	51,479
Adjusted EBITDA	228,622	214,519	206,896
ICR (*ratio*)	**3.8**	**4.2**	**4.0**

The Company presents ICR to determine how many times the Group can cover its current interest payment with its available Adjusted EBITDA.

"**Net LTV**" is defined as the net loan-to-value ratio, which is the aggregate amount of interest-bearing loans and borrowings from financial institutions plus bonds issued after deduction of cash and cash equivalents as a percentage of GAV.

The following table provides a reconciliation of the Group's Net LTV for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
	(*in EUR million, unless otherwise indicated*)		
Interest-bearing loans and borrowings	3,394,258	2,677,813	2,129,589
Cash and cash equivalents	419,141	63,821	46,284
Interest-bearing loans and borrowings reduced by cash and cash equivalents	**2,975,117**	**2,613,992**	**2,083,305**
Investment property including investment property under development	5,773,577	5,162,085	4,339,325
Property, plant and equipment (PPE)	98,884	117,090	119,763

Total investment property and PPE......................	**5,872,461**	**5,279,175**	**4,459,088**
Net LTV (*in per cent.*)**..**	**50.7**	**49.5**	**46.7**

The Company presents Net LTV because this measure is used by banks, analysts, rating agencies and investors in assessing the Group's performance.

APMs are not defined or recognised under IFRS, and other companies may calculate these measures differently or may use such measures for different purposes than the Company does, limiting the usefulness of such measures as comparative measures. In addition, the APMs presented in this Prospectus may not be comparable to similarly titled measures and financial information used by other companies.

Prospective investors should not consider the APMs in isolation, as alternatives to revenue, profit before tax or cash flows from operations calculated in accordance with IFRS, as indications of operating performance or as measures of the Group's profitability or liquidity. Such APMs must be considered only in addition to, and not as a substitute for or superior to, financial information and measures prepared in accordance with IFRS. APMs have limitations as analytical tools, such as:

- they do not reflect the Group's cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, the Group's working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on the Group's debt;
- although depreciation and amortisation are non-monetary charges, the assets being depreciated and amortised will often need to be replaced in the future and EBITDA and Adjusted EBITDA do not reflect any cash requirements that would be required for such replacements;
- some of the exceptional items the Company eliminates in calculating EBITDA and Adjusted EBITDA reflect cash payments that were made, or will be made in the future; and
- the fact that other companies in the Group's industry may calculate EBITDA and Adjusted EBITDA differently than the Company does, which limits their usefulness as comparative measures.

Other measures

In this Prospectus, unless otherwise specified:

"**GLA**" refers to gross lettable area.

"**Gross Rental Income**" refers to rental income and service charge income for the relevant period.

"**Indebtedness**" is defined as interest-bearing loans and borrowings from financial institutions.

"**Leasing Activity**" refers to sum of new contracts or amendments for either newly leased or prolonged premises in given period.

"**Occupancy Rate**" refers to the proportion of the aggregate GLA of the properties (whether or not capable of being let) which is subject to tenancies at that point in time. For the avoidance of doubt, the aggregate GLA includes areas designated as structurally vacant or under refurbishment. Any development to create new lettable area at any property shall only be included when the relevant space or development is complete and available to generate income.

"**Rental Collection**" refers to trade receivable more than 15 days overdue as a percentage of the last 12 months' billings including rent, service charges, extra's and tenant direct re-charges.

"**Retention Rate**" refers to the part of total rental income that expires in one year and is prolonged with existing clients, as part of the total rental income of leases which expire in the same year.

"**WAULT**" refers to weighted average unexpired lease term.

Rounding and negative amounts

Certain figures in this Prospectus, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

In preparing the Financial Statements, most numerical figures are presented in thousands of euros. For the convenience of the reader of this Prospectus, certain numerical figures in this Prospectus are rounded to the nearest one million. As a result of this rounding, certain numerical figures presented herein may vary slightly from the corresponding numerical figures presented in the Financial Statements.

The percentages (as a percentage of revenues or costs and period-on-period percentage changes) presented in the textual financial disclosure in this Prospectus are derived directly from the financial information contained in the Financial Statements. Such percentages may be computed using the numerical figures expressed in thousands of euros in the Financial Statements. Therefore, such percentages are not calculated on the basis of the financial information in the textual disclosure that has been subjected to rounding adjustments in this Prospectus.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts may also be shown by "-" or "negative" before the amount.

Currency

All references in this Prospectus to "euro", "EUR" or "€" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time. All references to "US dollars", "US$", "USD" or "$" are to the lawful currency of the US.

Valuation report

The condensed valuation report included in this Prospectus (see section "*Valuation Report*") (the "**Valuation Report**") has been prepared, at the Company' request, by Jones Lang LaSalle, s.r.o. ("**JLL**"), a provider of external property valuation services qualified for the purposes of valuation in accordance with the Royal Institute of Chartered Surveyors Valuation – (incorporating the International Valuation Standards) – January 2020 (the "**Red Book**"). The Valuation Report was issued on 26 February 2021 and provides a market valuation of 400 standing assets, 35 development properties and 89 land sites of the Group located in the Czech Republic, Romania, Hungary, Slovakia, Serbia, Poland, Bulgaria, Slovenia and Austria as of 31 December 2020. All properties are held freehold.

According to the Valuation Report (see "*Valuation Report*"), the basis of valuation is the market value of the property, as of the date of valuation, defined by the Red Book as: "*The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.*"

For the purposes of valuation of the vast majority of the properties, JLL adopted the discounted cash flow method, analysed over a 10-year period. The cash flow assumed a ten-year hold period with the exit value calculated on 11th year income representing net market rent. JLL adopted a discount rate and terminal capitalisation rate for the subject property having regard to recent investment sales evidence known to JLL together with JLL's general knowledge and opinion based on discussions with investors within the region. The discount rates reflect the opportunity and risk aspects of the market yield demanded by investors and consists of an interest rate for a risk-free investment as well as premium to account for specific investment risks associated with real estate investments. In formulating their opinion, JLL had regard to investment rates recorded by JLL in other major eastern European countries.

In order to assess the market value of the development properties, JLL adopted the residual method according to which the residual value is calculated by deducing all known or anticipated costs required to complete the development from the anticipated value of the project when completed after consideration of the risks associated with completion of the project. JLL thus undertook a development appraisal to assess the potential value (the "**Gross Development Value**") of the fully completed and leased/sold development as currently proposed, and deducted from this Gross Development Value all costs associated with undertaking the development, to include hard costs, soft costs, financing costs and a developer's profit to reflect the required level of return to a developer and the risk of undertaking the scheme. In assessing the Gross Development Value, JLL adopted a market approach by estimating the market rental values for the accommodation to be developed, and the appropriate capitalisation rate which a potential investor would require, to arrive at JLL's opinion of the market value of the completed and leased buildings.

For the valuation of the land bank and some of the reconstructed buildings JLL adopted the Sale Comparison Approach. Using this approach, JLL produced a value indication by comparing the subject property to prices of similar properties. According to JLL, the sale prices of the properties that are judged to be most comparable tend to indicate a range in which the value indication for the subject property will fall. JLL estimated the degree of similarity or difference between the subject property and the comparable sales by considering various elements of comparison. Percentage adjustments were then applied to the sale prices of comparable properties because the prices of these properties were known, while the value of the subject property was not. Through this comparative procedure, JLL estimated the value of the subject property as of 31 December 2020.

JLL has its business address at Na Příkopě 21, 117 19 Prague 1, Czech Republic. As at the date of this Prospectus, JLL does not have any material interest in the Group. The Valuation Report is included in this Prospectus in the form and context in which it is included, with the consent of JLL, which has authorised the contents of report.

The market values determined by JLL are based on certain qualifications and assumptions, estimates and projections and were prepared in accordance with the Red Book (see "*Valuation Report*"). None of the Company, the Joint Global Coordinators or Joint Bookrunners gives any assurance that the projections or assumptions used, estimates made or procedures followed in the valuation of the Group's assets are correct, accurate or complete. Any opinions or conclusions reached in the Valuation Report are dependent upon a number of assumptions and economic conditions that may or may not occur. Data based on the Valuation Report that is included in this Prospectus involves risks and uncertainties and is subject to change based on a variety of external factors, including those discussed under "*Risk Factors—Risks related to the Group's business and industry generally—The valuations performed on the Group's property portfolio represent the analysis and opinion of independent experts and may not be an accurate reflection of their present or future value and the Group's financial statements may be affected by fluctuation in the fair market value of its property portfolio as a result of revaluations*".

Market and industry information

All references to market share, market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by industry professionals, competitors, organisations or analysts, of publicly available information or of the Group's own assessment of its sales and markets. Statements based on the Company's own proprietary information, insights, opinions or estimates contain words such as 'the Group believes', 'the Group expects', 'the Group sees', 'the Group considers', 'the Group aims', 'the Group estimates' and as such do not purport to cite, refer to or summarise any third-party or independent source and should not be so read.

Industry publications generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Where third-party information has been sourced in this Prospectus, the source of such information has been identified.

Third-party reports referenced in this Prospectus include a market report dated 28 January 2021, as supplemented by an addendum dated 16 February 2021, prepared by JLL at the Company' request (the "**Market Report**"), which is included in this Prospectus (see section "*Market Report*") The Market Report includes, among other things, an overview of the global, European and CEE industrial real estate sector including the markets where the Group is present. The historical market and industry data in the Market Report cover mainly the period from 2015 until 2020 and estimates and outlooks the period 2020 to 2024. JLL has its business address at Na Příkopě 21, 117 19 Prague 1, Czech Republic. As at the date of this Prospectus, JLL does not have any material interest in the Group. The Market Report and its extracts are included in this Prospectus in the form and context in which it is included, with the consent of JLL, which has authorised the contents of report.

The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

In this Prospectus, the Group makes certain statements regarding the characteristics of the industrial real estate sector as well as the Group's competitive and market position. The Group believes these statements to be true, based on market data and industry statistics, but the Group has not independently verified the information. The Group cannot guarantee that a third party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Group's competitors may define their markets and their own relative positions in these markets differently than the Group does and may also define various components of their business and operating results in a manner which makes such figures non-comparable with the Group's.

Notice to investors

The distribution of this Prospectus and the offer, acceptance, delivery, transfer, exercise, purchase of, subscription for, or trade in the Offer Shares may, in certain jurisdictions other than the Netherlands, including, but not limited to, the US, be restricted by law. Persons in possession of this Prospectus are required to inform themselves about, and to observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus may not be used for, or in connection with, and does not constitute, an offer to sell, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or invitation is not authorised or would be unlawful. Neither this Prospectus, nor any related materials, may be distributed or transmitted to, or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws or regulations.

None of the Company, the members of the Board, any of the Underwriters, the Financial Adviser and/or any of their respective affiliates and/or representatives, is making any representation to any offeree, subscriber or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree, subscriber or purchaser under the laws applicable to such offeree, subscriber or purchaser.

Investors who subscribe or purchase Offer Shares will be deemed to have acknowledged that: (i) they have not relied on the Listing and Paying Agent, any of the Underwriters and/or the Financial Adviser, and/or any person(s) affiliated with any of them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; and (ii) they have relied only on the information contained in this Prospectus, and that no person has been authorised to give any information or to make any representation concerning the Company or its subsidiaries or the Offer Shares (other than as contained in this Prospectus) and, that if given or made, any such other information or representation has not been relied upon as having been authorised by the Company, the Listing and Paying Agent, any of the Underwriters and/or the Financial Adviser.

EXCEPT AS OTHERWISE SET OUT IN THIS PROSPECTUS, THE OFFERING DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO INVESTORS IN THE US, UNITED KINGDOM, CANADA, AUSTRALIA, JAPAN, SINGAPORE, HONG KONG, PEOPLE'S REPUBLIC OF CHINA OR ABU DHABI GLOBAL MARKET.

This Prospectus does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to acquire, Offer Shares in any jurisdiction in which such an offer or solicitation is unlawful or would result in the Company becoming subject to public company reporting obligations outside the Netherlands.

The distribution of this Prospectus, and the offer or sale of Offer Shares, is restricted by law in certain jurisdictions. This Prospectus may only be used where it is legal to offer, solicit offers to purchase or sell Offer Shares. Persons who obtain this Prospectus must inform themselves about and observe all such restrictions. None of the Company, the Financial Adviser and/or the Underwriters accepts any legal responsibility for any violation by any person, whether or not a prospective purchaser of Shares, of any such restrictions. The Company and the Underwriters reserve the right in their own absolute discretion to reject any offer to subscriber for or purchase Shares that the Company, the Underwriters or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.

No action has been or will be taken to permit a public offer or sale of Offer Shares, or the possession or distribution of this Prospectus or any other material in relation to the Offering, in any jurisdiction outside the Netherlands where action may be required for such purpose. Accordingly, neither this Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. See "*Selling and Transfer Restrictions*". Subject to certain exceptions, this Prospectus should not be forwarded or transmitted in or into the United States, United Kingdom, Canada, Australia, Japan, Singapore, Hong Kong, People's Republic of China ("**PRC**") or Abu Dhabi Global Market ("**ADGM**").

Notice to prospective investors in the US

The Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state of the US for offer or sale as part of their distribution and may not be offered or sold within the US unless the Offer Shares are registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. In the US the Offer Shares will be sold only to persons reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirement under the US Securities Act and applicable state securities laws. All offers and sales of the Offer Shares outside the US will be made in "offshore transactions" as defined in, and in compliance with Regulation S and in accordance with applicable law. The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. See "*Selling and Transfer Restrictions*".

THE OFFER SHARES HAVE NOT BEEN RECOMMENDED BY ANY US FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE US.

Enforcement of civil liabilities

The ability of Shareholders in certain countries other than the Netherlands, in particular in the US, to bring an action against the Company may be limited under law. The Company is incorporated under the laws of the Netherlands and has its seat (*statutaire zetel*) in Utrecht, the Netherlands.

At the date of this Prospectus, all of the members of the Board and other officers of the Group named herein are citizens or residents of countries other than the US. All or a substantial proportion of the assets of these individuals are located outside the US. The Group's assets are located outside of the US. As a result, it may be impossible or difficult for investors to effect service of process within the US upon such persons or the Company or to enforce against them in US courts a judgment obtained in such courts. In addition, there is doubt as to the enforceability, in the Netherlands, or original actions or actions for enforcement based on the federal or state securities laws of the US or judgments of US courts, including judgments based on the civil liability provisions of the US federal or state securities laws.

The US and the Netherlands do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a judgment rendered by a court in the US will not be recognised and enforced by the Dutch courts. However, if a person has obtained a final judgment without appeal in such a matter rendered by a court in the US which is enforceable in the US and files his, her or its claim with the competent Dutch court, the Dutch court will recognise and give effect to such foreign judgment insofar as it finds that (i) the jurisdiction of the US court has been based on grounds which are internationally acceptable, (ii) proper legal procedures have been observed, (iii) the judgment does not contravene Dutch public policy, and (iv) the judgment is not irreconcilable with a judgment of a Dutch court or an earlier judgment of a foreign court that is capable of being recognised in the Netherlands.

Forward-looking statements

This Prospectus contains forward-looking statements that reflect the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements involve all matters that are not historical facts. The Group has tried to identify forward-looking statements by using words as "may", "will", "would", "should", "expects", "intends", "estimates", "anticipates", "projects", "believes", "could", "hopes", "seeks", "plans", "aims", "aspires", "objective", "potential", "goal" "strategy", "target", "continue", "annualised" and similar expressions or negatives thereof or other variations thereof or comparable terminology, or by discussions of strategy that involve risks and uncertainties. Forward-looking statements may be found principally in sections in this Prospectus entitled "*Risk Factors*", "*Dividend Policy*", "*Industry and Competition*", "*Business*", "*Operating and Financial Review*" and also elsewhere.

The forward-looking statements are based on the Group's beliefs, assumptions and expectations regarding future events and trends that affect the Group's future performance, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions and expectations can change as a result of possible events or factors, not all of which are known to the Group or are within the Group's control. If a change occurs, the Group's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. In addition, the forward-looking estimates and forecasts reproduced in this Prospectus from third-party reports could prove to be inaccurate. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing the Company and its Group Companies. Such risks, uncertainties and other important factors include, but are not limited to those listed in the section entitled "*Risk Factors*". Other factors could also adversely affect the Group's results or accuracy of forward-looking statements in this Prospectus, and you should not consider the factors discussed under "*Risk Factors*" to be a complete set of all potential risks and uncertainties.

Investors or potential investors should not place undue reliance on the forward-looking statements in this Prospectus. The Group urges investors to read the sections of this Prospectus entitled "*Risk Factors*", "*Business*" and "*Operating and Financial Review*" for a more complete discussion of the factors that could affect the Group's future performance and the markets in which the Group operates. In light of the possible changes to the Group's beliefs, assumptions and expectations, the forward-looking events described in this Prospectus may not occur. Additional risks currently not known to the Group or that the Group has not considered material as of the date of this Prospectus could also cause the forward-looking events discussed in this Prospectus not to occur. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Group undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

Definitions

This Prospectus is published in English only. Definitions used in this Prospectus are defined in "*Definitions*".

Available information

For so long as any Shares of the Company are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the US Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the US Securities Act.

The Company is not currently subject to the periodic reporting and other information requirements of the Exchange Act.

Validity

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The validity of this Prospectus will expire on the earlier of (i) the First Trading Date and (ii) 12 months from the date of this Prospectus. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies shall cease to apply when this Prospectus is no longer valid. See also "—*Supplementary prospectus*".

Supplementary prospectus

If a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Offer Shares, arises or is noted between the date of this Prospectus and the end of the validity of this Prospectus (see "—*Validity*"), a supplement to this Prospectus is required. Such a supplement will be subject to approval by the AFM in accordance with article 23 of the Prospectus Regulation and will be made public in accordance with the relevant provisions under the Prospectus Regulation. The summary shall also be supplemented, if necessary to take into account the new information included in the supplement. In case a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Offer Shares arises after the end of the validity of this Prospectus, the Company will not supplement this Prospectus.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall, except as so modified or superseded, no longer constitute a part of this Prospectus. For the avoidance of doubt, references in this paragraph to any supplement being published by the Company do not include the Pricing Statement.

Documents incorporated by reference

The Articles of Association are incorporated in this Prospectus by reference and, as such, form part of this Prospectus. The Articles of Association (or copies thereof) may be obtained in electronic form free of charge from the Company's website at www.ctp.eu or by clicking here. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

No incorporation of website

Other than this Prospectus, the Prospectus summary and the Articles of Association, the contents of the Company's website www.ctp.eu, including any websites accessible from hyperlinks on the Company's website, do not form part of and are not incorporated by reference in this Prospectus, and have not been scrutinised or approved by the AFM.

REASONS FOR THE ADMISSION AND OFFERING AND USE OF PROCEEDS

Reasons for the Admission and the Offering

The Admission is expected to raise the Company's profile with the international investment community, brand recognition and credibility and will also provide additional financial flexibility and diversity through access to a wider range of capital-raising options. In addition, the Admission will create a market in the Shares for the future shareholders of the Company.

The Offering is being conducted to facilitate the sale of the New Shares and raising capital by the Company. In addition, it is also aimed at raising the Company's profile with the international investment community and establishing a market for the Shares which may benefit the Company in case it desires to access the equity capital markets in the future.

Use of proceeds

The Company will receive the net proceeds from the sale of the New Shares and the Sole Shareholder will receive the net proceeds from the sale of Over-Allotment Shares, if any. Assuming the maximum number of New Shares are issued and sold by the Company, that all of the Offer Shares are sold at an Offer Price set at the mid-point of the Offer Price Range and that the Over-Allotment Option is exercised in full, the net proceeds from the Offering are expected to amount to EUR 995.5 million, of which the Company will receive EUR 864.3 million and the Sole Shareholder will receive EUR 131.3 million.

The expenses, commissions and taxes related to the Offering and Admission payable by the Company are estimated to amount to approximately EUR 35.75 million (assuming the maximum number of New Shares are issued and sold by the Company and that all such New Shares are sold at an Offer Price set at the mid-point of the Offer Price Range). The expenses, commissions and taxes related to the Over-Allotment Option payable by the Sole Shareholder are estimated to amount to approximately EUR 3.75 million (assuming that (i) the maximum number of New Shares are issued and sold by the Company, (ii) all such New Shares are sold at an Offer Price set at the mid-point of the Offer Price Range and (iii) the Over-Allotment Option is exercised in full). No commissions, fees or expenses in connection with the Offering will be charged to investors by the Company. Investors will have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they hold their securities.

The Company intends to use the net proceeds received by it from the Offering for the following purposes and in the following order:

- Approximately 50 per cent. for financing of the Group's development projects and related construction activities, including acquisition of new land. The Group defines itself as a 'Parkmaker' and primarily develops large multi-use industrial and logistics business parks on land within its land bank. It acts as the general contractor, overseeing the construction process from initiation to completion and outsourcing to reliable, high-quality suppliers. New properties are constructed mainly on a pre-let basis, meaning construction starts usually when more than 50 per cent. of pre-let agreements with future tenants are in place. After handover of properties to the tenants, the Group remains their owner and manager of the property. As of 31 December 2020, the Group had a development pipeline of 740 thousand square metres of GLA under construction for 2021.

- Approximately 25 per cent. for potential property acquisitions. Acquisitions of existing properties in countries where the Group already operates as well as in new countries form part of the Group's growth strategy. The amount spent will depend on the number and size of acquisition opportunities the Group will have and decide to pursue.

- The remaining part for debt repayment.

DIVIDENDS AND DIVIDEND POLICY

General

Under Dutch corporate law, the Company may only make distributions to its Shareholders insofar as the Company's equity exceeds the sum of the paid-up and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association. The Board may resolve to reserve the profits or part of the profits realised during a financial year as it deems necessary. The profits remaining thereafter shall be put at the disposal of the General Meeting. The Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, shall make a proposal for that purpose.

Under the Articles of Association, distribution of profits, meaning the net earnings after taxes shown by the adopted Annual Accounts, will be made after the adoption of the Annual Accounts from which it appears that they are permitted for the respective financial year, entirely without prejudice to any of the other provisions of the Articles of Association.

Subject to Dutch law and the Articles of Association, the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, may resolve to distribute an interim dividend insofar as the Company's equity exceeds the sum of the paid-up and called-up share capital increased by the reserves as required to be maintained by Dutch law or the Articles of Association. For this purpose, the Board must prepare an interim statement of assets and liabilities evidencing sufficient distributable equity.

With the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, and subject to Dutch law and the Articles of Association, the Board may resolve to distribute a dividend in cash, partly in cash, or in a form other than in cash (including in the form of Shares) to the Shareholders, or that Shareholders shall have the option to receive a distribution as a cash payment and/or as a payment in Shares.

According to the Articles of Association, the Board determines as of which date dividends or other distributions on Shares will be payable.

The tax legislation of the Shareholder's Member State or other relevant jurisdictions and of the Company's country of incorporation may have an impact on the income received from the Shares.

Dividend history

Prior to the establishment of the Company as the holding company of the Group, dividends were paid by the Group entity CTP Invest. The following table sets forth dividends declared as at the date of this Prospectus to the Sole Shareholder for the years ended 31 December 2020 and 2019 and to the shareholders of CTP Invest for the year ended 31 December 2018:

Year ended 31 December	**Cash Dividend**	**Non-cash Dividend**	**Total dividends declared**	**Number of Shares in issue**
		(in EUR thousands)		
2020	0	0	0	N/A
2019	0	0	0	N/A
2018(1)	36,013.00	0	36,013.00	N/A

(1) The 2018 amounts represent dividends paid by CTP Invest to its shareholder Multivest prior to the Company's corporate restructuring. These dividends were subsequently reinvested into the Group through an intercompany loan by Multivest to CTP Invest. Accordingly, no per Share dividend information for the Company is available for 2018.

Dividend policy

The Company intends to retain part of its future profits in order to fund the ongoing growth and development of the Company's business, and, therefore, targets paying between 70 per cent. and 80 per cent. of Company specific Adjusted Earnings in dividends to its Shareholders in the foreseeable future. It is intended that dividends will be paid semi-annually, provided that the conditions of Dutch law and the relevant provisions in the Articles of Associations are met. The Company intends to operate a scrip dividend programme, pursuant to which

Shareholders will have an option to receive additional Shares instead of a cash dividend. It is intended that the first interim dividend, related to the six months ended 30 June 2021, will be made available in September 2021.

Manner and time of dividend payments

Payment of any dividend in cash will in principle be made in euro. According to the Articles of Association, the Board may determine that distributions on Shares will be made payable either in euro or in another currency. Any dividends that are paid to Shareholders through Euroclear Nederland, will be automatically credited to the relevant Shareholders' accounts without the need for the Shareholders to present documentation proving their ownership of the Shares. Payment of dividends on the Shares in registered form (not held through Euroclear Nederland, but directly) will be made directly to the relevant Shareholder using the information contained in the Company's shareholders' register and records.

Uncollected dividends

A claim for any declared dividend and other distributions lapses five years and one day after the date those dividends or distributions were released for payment. Any dividend or distribution that is not collected within this period will be considered to have been forfeited to the Company and will be carried to the reserves.

CAPITALISATION AND INDEBTEDNESS

The tables below set forth the Group's consolidated capitalisation and indebtedness as of 31 December 2020 (i) on an actual basis and (ii) as adjusted to give effect to (a) the receipt of the net proceeds of the New Shares, assuming that the maximum number of New Shares are sold at the mid-point of the Offer Price Range, (b) the EUR 500 million bond issued in February 2021 and (c) the repayment of credit facilities on 10 March 2021 in the amount of EUR 249 million from the proceeds of the EUR 500 million bond issued in February and costs of unwinding the related hedging arrangements of EUR 1.5 million (see "*Operating and Financial Review—Financing arrangements of the Group—Bonds*"). All information has been derived from the Financial Statements, except as otherwise noted. These tables should be read in conjunction with the Financial Statements and the notes thereto included elsewhere in this Prospectus, "*Operating and Financial Review*" and "*Important Information—Presentation of Financial and Other Information*". See "*Description of Share Capital*" for information concerning the Company's share capital.

Capitalisation

	As of 31 December 2020	
	Actual	**As adjusted**
	(*in EUR thousands*)	
Total current debt (including current portion of non-current debt)	**358,254**	**356,784**
Guaranteed	--	--
Secured[(1)]	160,288	160,288
Unguaranteed/unsecured[(2)]	197,966	196,496
Total non-current debt (excluding current portion of non-current debt**)**	**3,823,874**	**4,071,307**
Guaranteed	--	--
Secured[(1)]	2,191,999	1,942,517
Unguaranteed/unsecured[(3)]	1,631,875	2,128,790
Shareholder's equity	**2,263,202**	**3,127,453**
Share capital	53,760	63,523
Legal reserve	1,858,460	2,712,948
Other reserves[(4)]	350,982	350,982
Total	**6,445,330**	**7,555,544**

Notes:

(1) Secured includes conventional, asset-backed mortgages, corporate share pledges and other typical real estate-related security instruments.

(2) Unguaranteed/unsecured current debt consist of current (i) trade and other payables, (ii) payables to related parties, (iii) derivative financial instruments and (iv) income tax payable.

(3) Unguaranteed/unsecure non-current debt consist of bonds issued and non-current (i) trade and other payables, (ii) payables to related parties and (iii) derivative financial instruments and deferred tax liabilities.

(4) Other reserves consist of translation reserve, revaluation reserve and retained earnings.

Indebtedness

	As of 31 December 2020	
	Actual	**As adjusted**
	(*in EUR thousands*)	
A Cash	124,141	1,234,355
B Cash equivalents	295,000	295,000
C Other current financial assets	-	-
D Liquidity (A + B + C)	**419,141**	**1,529,355**
E Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)[(1)]	197,966	196,496
F Current portion of non-current financial debt	160,288	160,288
G Current financial indebtedness (E + F)	**358,254**	**356,784**
H Net current financial indebtedness (G – D)	**(60,887)**	**(1,172,571)**

	As of 31 December 2020	
	Actual	**As adjusted**
I Non-current financial debt (excluding current portion and debt instruments)	2,191,999	1,942,517
J Debt instruments	1,041,971	1,538,886
K Non-current trade and other payables[(2)]	85,125	85,125
L Non-current financial indebtedness (I + J + K)	**3,319,095**	**3,566,528**
M Total financial indebtedness (H + L)	**3,258,208**	**2,393,957**

Notes:

(1) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) consist of current (i) trade and other payables, (ii) payables to related parties, (iii) derivative financial instruments and (iv) income tax payable.

(2) Non-current trade and other payables consist of bonds issued and non-current (i) trade and other payables, (ii) payables to related parties and (iii) derivative financial instruments.

As of 31 December 2020, the Group has no indirect indebtedness and no contingent indebtedness.

SUMMARY FINANCIAL AND OTHER DATA

Unless otherwise indicated, the following tables present selected historical financial and other information relating to the Group which has been derived from the audited consolidated financial statements of the Company for the extended period from 1 January 2019 to 31 December 2020, which comprise the consolidated statements of financial position as of 31 December 2020 and 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 and the year ended 31 December 2018, and the related notes to the consolidated financial statements. In addition, the Company prepared also an unaudited consolidated statement of financial position as of 31 December 2019 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the periods 1 January 2019 to 31 December 2019 and 1 January to 31 December 2020. Such information is not audited. For a discussion of the presentation of the Group's historical financial information included in this Prospectus, see "Important Information—Presentation of Financial and Other Information".

Statement of profit and loss and comprehensive income

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Rental income	291,935	257,986	241,960
of which: Czech Republic	*186,808*	*173,060*	*176,370*
Romania	*49,540*	*41,084*	*34,386*
Hungary	*25,785*	*21,321*	*10,332*
Slovakia	*22,862*	*18,422*	*16,911*
Other	*6,940*	*4,099*	*3,961*
Service charge income	25,882	22,379	19,990
of which: Czech Republic	*14,393*	*12,862*	*11,890*
Romania	*5,741*	*4,588*	*4,232*
Hungary	*3,063*	*2,986*	*1,892*
Slovakia	*2,499*	*1,815*	*1,703*
Other	*186*	*128*	*273*
Property operating expenses	(37,148)	(40,575)	(29,799)
of which: Czech Republic	*(17,845)*	*(20,630)*	*(15,159)*
Romania	*(7,943)*	*(9,472)*	*(5,307)*
Hungary	*(6,556)*	*(6,377)*	*(4,917)*
Slovakia	*(3,985)*	*(3,200)*	*(2,941)*
Other	*(482)*	*(444)*	*(736)*
Hotels	*(337)*	*(452)*	*(739)*
Net rental income	**280,669**	**239,790**	**232,151**
Hotel operating revenue	5,752	17,312	16,805
Hotel operating expenses	(5,897)	(11,545)	(10,681)
Net operating income from hotel operations	(145)	5,767	6,124
Income from development activities	49,411	4,483	1,429
Expenses from development activities	(26,984)	(3,927)	(1,343)
Net income from development activities	22,427	556	86
Total revenues	**372,980**	**302,160**	**280,184**
Total attributable external expenses	**(70,029)**	**(56,047)**	**(41,823)**
Net valuation result on investment property	152,162	406,775	239,380
Other income	4,010	9,094	49,693
Amortisation and depreciation	(10,462)	(9,753)	(5,838)
Employee benefits	(22,969)	(17,172)	(14,848)
Impairment of financial assets	(685)	(9)	(110)
Other expenses	(33,121)	(17,149)	(24,235)

Net other income/expenses	**(63,227)**	**(34,989)**	**4,662**
Profit/Loss before finance costs	**391,886**	**617,899**	**482,403**
Interest income	953	582	1,953
Interest expense	(68,534)	(57,019)	(55,558)
Other financial expenses	(11,501)	(15,944)	(7,981)
Other financial gains/losses	(22,379)	(44,809)	1,361
Net finance costs	**(101,461)**	**(117,190)**	**(60,225)**
Profit/Loss before income tax	**290,425**	**500,709**	**422,178**
Income tax expense	(37,901)	(108,548)	(60,670)
Profit for the period	**252,524**	**392,161**	**361,508**
Revaluation of PPE net of tax	(7,347)	4,025	4,397
Foreign currency translation differences net of tax	8,473	1,692	538
Total other comprehensive income	**1,126**	**5,717**	**4,935**
Total comprehensive income for the year	**253,650**	**397,878**	**366,443**
Profit attributable to non-controlling interests	406	(14)	(3,392)
Profit attributable to equity holders of the Company	**252,118**	**392,175**	**364,900**
Total comprehensive income attributable to non-controlling interest	406	(14)	(3,392)
Total comprehensive income attributable to equity holders of the Company	**253,244**	**397,892**	**369,835**

Statement of financial position

	As of 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Assets			
Investment property	5,386,230	4,721,358	4,023,968
of which: Industrial	4,462,367	3,828,858	3,236,725
Office	550,937	554,332	458,995
Retail	33,467	38,838	46,502
Other	13,514	4,132	4,664
Land bank	325,945	295,198	277,082
Investment property under development	387,347	440,727	315,357
Property, plant and equipment	98,884	117,090	119,763
Intangible assets	2,418	3,305	4,536
Trade and other receivables	11,796	11,755	23,872
Derivative financial instruments	-	403	1,047
Financial investments	521	1,280	198
Receivables from related parties	42,046	54,257	15,467
Deferred tax assets	14,422	7,316	6,776
Total non-current assets	**5,943,664**	**5,357,491**	**4,510,984**
Trade and other receivables	67,941	90,395	71,299
Short-term receivables due from related parties	45	143	310
Derivative financial instruments	-	337	402
Contract assets	12,878	8,461	1,343
Current income tax receivable	2,692	5,348	6,738
Assets held for sale	-	-	-
Cash and cash equivalents	419,141	63,821	46,284
Total current assets	**502,697**	**168,505**	**126,376**
Total assets	**6,446,361**	**5,525,996**	**4,637,360**
Issued capital	53,760	-	-
Translation reserve	14,458	5,985	4,293
Share premium	1,858,460	828,682	138,921
Retained earnings	324,862	1,188,547	801,874
Revaluation reserve	11,662	19,009	14,984

Total equity attributable to owners of the Company	**2,263,202**	**2,042,223**	**960,072**
Non-controlling interest	**1,031**	**625**	**639**
Total equity	**2,264,233**	**2,042,848**	**960,711**
Liabilities			
Interest-bearing loans and borrowings from financial Institutions	2,191,999	2,494,935	1,977,334
Bonds issued	1,041,971	-	-
Trade and other payables	23,385	21,672	17,425
Long-term payables to related parties	34,544	41,081	967,199
Derivative financial instruments	27,196	11,013	12,379
Provisions	-	-	14
Deferred tax liabilities	504,779	491,356	397,577
Total non-current liabilities	**3,823,874**	**3,060,057**	**3,371,928**
Interest-bearing loans and borrowings from financial institutions	160,288	182,878	152,255
Bonds issued	-	-	-
Trade and other payables	169,006	168,448	144,957
Short-term payables to related parties	2,627	60,005	181
Derivative financial instruments	6,870	5,112	3,794
Current income tax payable	19,463	6,648	3,292
Liabilities associated with assets held for sale	-	-	-
Provisions	-	-	242
Total current liabilities	**358,254**	**423,091**	**304,721**
Total liabilities	**4,182,128**	**3,483,148**	**3,676,649**
Total equity and liabilities	**6,446,361**	**5,525,996**	**4,637,360**

Statement of cash flows

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Profit for the period	**252,118**	**392,175**	**364,900**
Net valuation result on investment property	(152,162)	(406,775)	(239,380)
Amortisation and depreciation	10,462	9,753	5,838
Net interest expense and expenses from derivatives	67,581	53,831	42,293
Change in fair value of derivatives	40,272	32,349	10,469
Other changes	(14,680)	(4,029)	5,204
Change in foreign currency rates	(3,775)	9,591	(3,988)
Income from non-controlling interest	406	(14)	(3,392)
Gain from sale of Investment property and subsidiaries	-	-	(34,977)
Income tax expense	37,901	108,548	60,670
Decrease/(increase) in trade and other receivables	31,332	(53,867)	1,944
Increase/(decrease) in trade and other payables	(13,439)	48,474	32,860
Interest paid	(62,272)	(54,583)	(54,714)
Interest received	371	582	1,953
Income taxes paid	(8,685)	(12,077)	(36,766)
Cash flows from (used in) operating activities	**185,430**	**123,958**	**152,914**
Acquisition of investment property	(64,105)	(48,699)	(46,603)
Acquisition of property, plant and equipment	(2,232)	(3,228)	(21,393)
Proceeds from disposal of investment property and PPE	8,950	12,110	37,090
Acquisition of subsidiaries, net of cash acquired	(27,116)	(20,378)	(39,689)
Repayment of loans and borrowings provided to related parties	(27,080)	-	-
Proceeds from loan and borrowings received from related parties	629	-	11,518
Proceeds from disposal of subsidiaries, net of cash disposed	1,060	-	398,159
Development of investment property	(359,227)	(322,055)	(346,840)

	Year ended 31 December		
	2020	2019	2018
		(in EUR thousands)	
Cash flows from (used in) investing activities	**(469,121)**	**(382,250)**	**(7,758)**
Bonds issued	1,041,395	-	-
Repayment of borrowings	(1,088,814)	(1,508,800)	(273,782)
Proceeds from interest-bearing loans and borrowings	743,657	2,042,082	357,466
Loan and borrowings granted to related companies, net	(20,625)	(225,000)	(13,407)
Transaction costs related to loans and borrowings	(21,649)	(31,705)	(2,385)
Proceeds from the issue of share capital	200	-	-
Distribution of funds to shareholder	(12,500)	-	-
Paid dividends	-	-	(195,606)
Payment of lease liabilities	(541)	(500)	(590)
Cash flows from (used in) financing activities	**641,123**	**276,077**	**(128,304)**
Opening cash and cash equivalents	63,821	46,284	25,485
Net change in cash and cash equivalents	**357,432**	**17,785**	**16,852**
Cash and cash equivalents reclassified to asset held for sale	-	-	4,541
Change in foreign currency rates	(2,112)	(248)	(594)
Cash and cash equivalents at end of year	**419,141**	**63,821**	**46,284**

Key performance indicators

	Year ended 31 December		
	2020	2019	2018
Group(1)			
GLA under management (*in million square metres*)	6.3	5.5	5.0
GLA owned (*in million square metres*)	5.9	5.1	4.6
Occupancy Rate (*in per cent.*)	94	95	95
Number of parks(1)	70	61	57
WAULT (*in years*)	6.0	5.4	5.4
Retention Rate (*in per cent.*)	92	83	86
Leasing Activity (*in thousands square metres*)	1,175	1,143	727
EBITDA(2) (*in EUR thousands*)	368,062	566,913	485,013
Adjusted EBITDA(2) (*in EUR thousands*)	228,622	214,519	206,896
EPRA Earnings (2) (*in EUR thousands*)	155,395	106,138	134,793
EPRA Earnings per Shares (2) (*in EUR*)	0.46	0.32	0.40
Company specific Adjusted Earnings (2) (*in EUR thousands*)	148,967	126,590	108,916
Company specific Adjusted Earnings per Shares (2) (*in EUR*)	0.44	0.38	0.32
Like-for-Like Rental Income Growth (*in per cent.*)	1.5	1.4	1.5
GAV (*in EUR thousands*)	5,872,461	5,279,175	4,459,088
EPRA NTA (2) (*in EUR thousands*)	2,794,979	2,544,829	1,366,630
Gross Yield (2) (*in per cent.*)	5.4	5.5	6.0
EPRA Net Initial Yield (2) (*in per cent.*)	5.8	6.0	6.1
EPRA Topped-up Net Initial Yield (2) (*in per cent.*)	6.2	6.4	6.6
Valuation Yield (2) (*in per cent.*)	6.0	6.1	6.3
Yield on Cost (2) (*in per cent.*)	11.6	13.5	10.8
Average Cost of Debt (2) (*in per cent.*)	2.0	2.1	2.5
ICR (2) (*ratio.*)	3.8	4.2	4.0
Net LTV(2) (*in per cent.*)	50.7	49.5(3)	46.7
Czech Republic			
GLA (*in million square metres*)(1)	3.5	3.3	3.1
Number of parks(1)	37	35	33
Occupancy Rate (*in per cent.*)	96	95	95
WAULT (*in years*)	6.2	6.4	6.5
Retention Rate (*in per cent.*)	89	81	82
Leasing Activity (*in thousands square metres*)	389	540	389

Adjusted EBITDA[(2)] (*in EUR thousands*)	161,200	151,776	157,423
Like-for-Like Rental Income Growth (*in per cent.*)	1.6	1.5	1.6
GAV[(2)] (*in EUR thousands*)	3,827,778	3,600,289	3,166,601
Romania			
GLA (*in million square metres*)	1.5	1.1	0.9
Number of parks	15	12	12
Occupancy Rate (*in per cent.*)	90	92	91
WAULT (*in years*)	4.9	4.7	4.6
Retention Rate (*in per cent.*)	91	87	96
Leasing Activity (*in thousands square metres*)	409	199	184
Adjusted EBITDA[(2)] (*in EUR thousands*)	38,774	31,957	23,599
Like-for-Like Rental Income Growth (*in per cent.*)	1.3	1.2	0.6
GAV[(2)] (*in EUR thousands*)	976,512	774,550	630,182
Hungary			
GLA (*in million square metres*)	0.5	0.4	0.4
Number of parks	5	4	4
Occupancy Rate (*in per cent.*)	92	98	91
WAULT (*in years*)	5.4	5.8	5.0
Retention Rate (*in per cent.*)	100	95	91
Leasing Activity (*in thousands square metres*)	225	239	67
Adjusted EBITDA[(2)] (*in EUR thousands*)	16,909	11,893	3,409
Like-for-Like Rental Income Growth (*in per cent.*)	1.0	0.4	1.9
GAV[(2)] (*in EUR thousands*)	440,699	341,807	250,134
Slovakia			
GLA (*in million square metres*)	0.4	0.4	0.3
Number of parks	7	7	6
Occupancy Rate (*in per cent.*)	98	96	96
WAULT (*in years*)	5.8	6.2	6.5
Retention Rate (*in per cent.*)	99	75	81
Leasing Activity (*in thousands square metres*)	55	97	74
Adjusted EBITDA[(2)] (*in EUR thousands*)	19,372	15,543	13,915
Like-for-Like Rental Income Growth (*in per cent.*)	1.5	1.5	0.6
GAV[(2)] (*in EUR thousands*)	387,308	362,882	261,579
Other[(4)]			
GLA[(4)] (*in million square metres*)	0.4	0.3	0.3
Number of parks	6	3	2
Occupancy Rate (*in per cent.*)	95	95	87
WAULT (*in years*)	8.7	13.2	6.5
Adjusted EBITDA[(2)] (*in EUR thousands*)	(2,368)	(1,735)	3,156
GAV[(2)] (*in EUR thousands*)	180,672	125,479	79,571
Hotels			
Adjusted EBITDA[(2)] (*in EUR thousands*)	(5,265)	5,085	5,394
GAV[(2)] (in EUR thousands)	59,492	74,168	71,021

Notes:

(1) Includes (i) the Group's own portfolio and 390 thousand square metres of Deka Immobilien's portfolio (sold by the Group in 2018) under management of the Group (except the line "GLA owned") and (ii) two office parks of the Group in the Czech Republic, Spielberk and Vlněna.

(2) For a reconciliation of these non-IFRS measures, please see "*Important Information—Presentation of Financial and Other Information—Alternative performance measures*"

(3) Due to the restructuring of CTP Group and in connection with Remon Vos acquiring ownership interests in the Group from the estate of his late partner the Group declared in 2018 exceptional dividends totalling EUR 761 million of which EUR 196 million was paid out in cash.

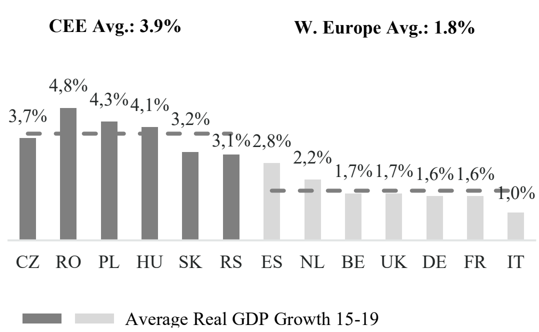
(4) Includes countries where the Group has a smaller presence: Serbia (119 thousand square metres), Poland (42 thousand square metres), Germany (39 thousand square metres), Bulgaria (14 thousand square metres) and Austria (2 thousand square metres).

MARKET OVERVIEW

Macroeconomic backdrop

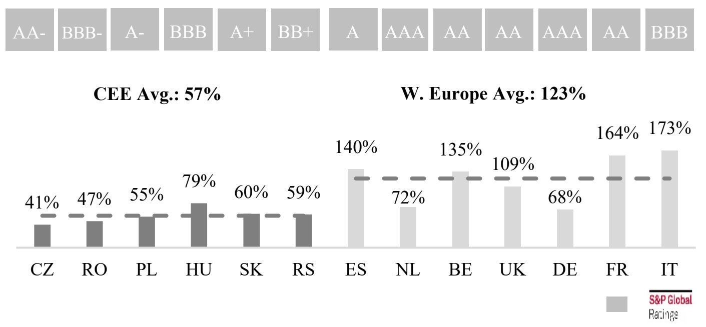
According to JLL, the CEE markets have historically reported favourable macroeconomic trends, particularly in terms of rates of growth - compared to those of Western European economies. The Czech Republic, Hungary, Romania, Poland, Serbia and Slovakia have achieved higher economic growth whilst maintaining significantly lower public debt-to-GDP ratios: from 2015 – 2019, these countries had GDP growth of 3.9 per cent. on average, vs. 1.8 per cent. in Western European economies while maintaining lower GDP decline during 2020. In addition to higher growth trajectories, lower total debt-to-GDP ratios underpin the stable investment graded ratings of the CEE countries. In 2020 the countries in which the Group operates anticipate maintaining 57 per cent. debt-to-GDP on average whilst Western European countries anticipate exhibiting 123 per cent.

Average real GDP growth in 2015-19[9]



Source: Oxford Economics, Dec 2020

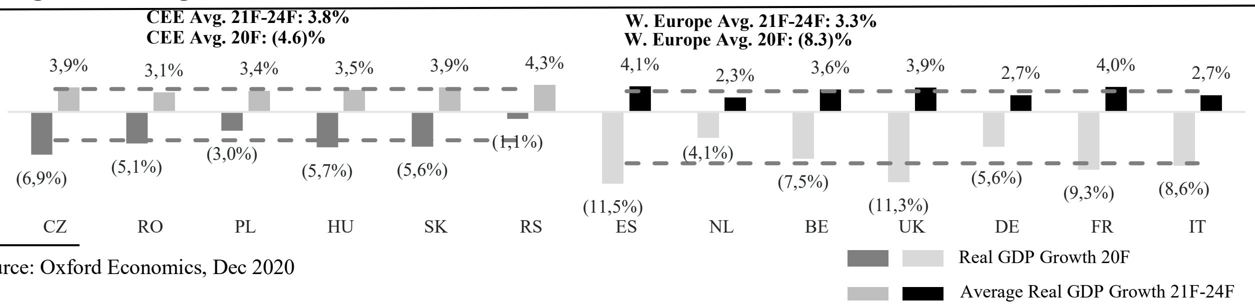
Gross Gov. Debt / GDP 2020F[1]



Source: Oxford Economics, Dec 2020, S&P Ratings

The 2021 to 2024 GDP growth for the CEE countries is expected on average to be 3.8 per cent. versus 3.3 per cent. for Western European economies. Thus, the CEE markets are expected to have a shallower decline and faster rebounds through the COVID-19 pandemic. Over the five-year period of 2020-2024, inflation in most of the CEE countries is of forecast to oscillate at around the 2 per cent. threshold which is considered as a healthy rate of inflation.[10]

Average real GDP growth in 2020F, 2021-2024F [1]



Source: Oxford Economics, Dec 2020

Key trends affecting supply and demand

While macro-economic and business conditions are important drivers of demand and supply in occupational markets and influence developer and investor sentiment in terms of their assessment of the commercial viability of developing new space for the market, structural changes have also been significant. According to JLL, in the

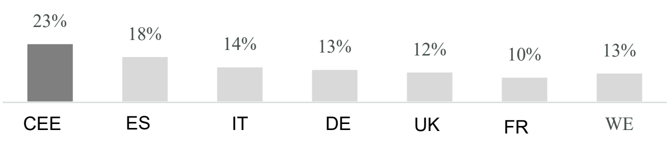
[9] Average statistics across the following CEE countries: CZ, RO, PL, HU, SK, RS. Average statistics across the following W. European countries: ES, NL, BE, UK, DE, FR and IT.
[10] For more details, please see attached in appendix JLL report.

long term, a number of global 'mega-trends' are likely to affect the industrial and logistics real estate sector. These trends include:

- Demographic changes
- Urbanisation
- Rapid technological change (e-commerce, robotics, smart and on-demand warehouses)
- Sustainability

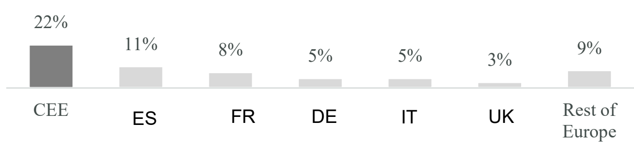
The CEE countries, in particular, are expected to witness notable growth and increasing penetration of e-commerce as well as continued growth in high-tech manufacturing.

e-Commerce Sales 2019-2021E CAGR[11]



Source: eMarketer

Shipment of Robotics Units 2019-2021E CAGR[12]



Source: International Federation of Robotics

According to JLL, from a location perspective, radical changes in the geography of major logistics locations are not widely expected, as main logistics clusters are generally linked to major infrastructure and economic and demographic fundamentals which change relatively slowly. However, the rise of automation and robots will likely increase requirements for power and internet connectivity will also become more important. In addition, occupational demand in terms of location will potentially become more diversified due to a trend whereby companies locate more warehouses closer to end consumers; if this occurs this will result in a further rise in urban logistics.

It is too early to assess the impact of COVID-19 on logistics property demand, but three major potential impacts, according to JLL, are usually highlighted, namely:

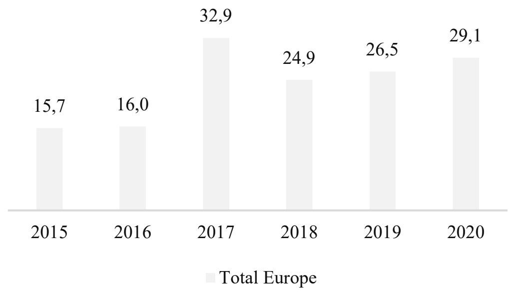
- the impact on e-commerce, which has seen accelerated growth during the pandemic;
- the impact on levels of inventory in supply chains, which are often thought likely to increase to improve the resilience of supply chains and mitigate against future potential shocks;
- the impact on the sourcing of manufactured goods, with one possible reaction being an increase in re-shoring or near-shoring to mitigate the risks associated with longer supply chains or a dependence on a single country.

Logistics real estate market overview

According to JLL, investors demand for European logistics assets has experienced buoyant growth, rising from EUR 8.8 billion of investment volumes in 2012 to above EUR 29 billion in 2020. In the CEE region, logistics was the second most liquid sector during 2020, comprising 30.4 per cent. of total investment volumes across all asset classes, with volumes for logistics reaching y-o-y increase of 50.2 per cent, predominantly driven by Poland. However, the sector's performance in the region has been uneven.

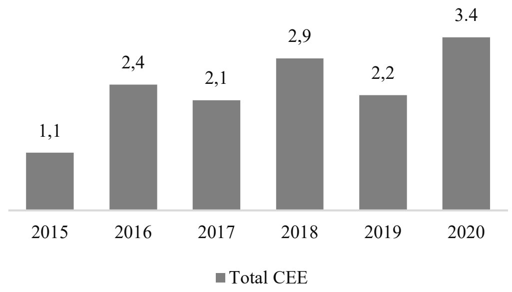
[11] Western Europe ('WE') includes the UK, DE, FR, ES and IT.
[12] CEE includes CZ, RO, SK, PL, HU and RS.

WE Industrial Investment Volumes[13] (EUR bn)



Source: JLL, Q4 2020

CEE Industrial Investment Volumes[14] (EUR bn)

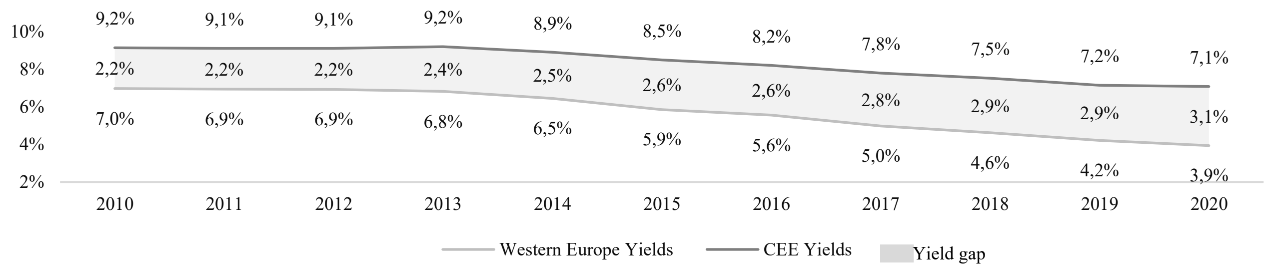


Source: JLL, Q4 2020

Prime industrial yield compression has been registered across Western Europe and the whole of CEE. In the period between 2015 and 2020 the average compression in the selected Western European markets stood at 192 bps whilst the average yield compression in the selected CEE markets reached 142 basis points.

Despite robust investor demand, there continues to be an attractive spread in yields observed for logistics assets in CEE with those for comparable assets in Western Europe. The prevailing trend in the CEE countries has been the lack of available product as significant part of the industrial market is owned by strategic players who rarely sell, which especially applies to the Czech Republic, Hungary and Romania where the Group owns 29 per cent, 12 per cent. and 31 per cent. of the industrial stock respectively. The respective spread between the selected Western European and CEE markets stood at 314 basis points in 2020, with Serbia and Romania reporting the highest prime yields of 9.25 per cent. and 8.0 per cent. respectively. By contrast, the sharpest prime yield of 5.25 per cent. was reported in the Czech Republic.

Scope for CEE Logistics Yields to Converge Closer with Levels in Western Europe[15]



Source: JLL, Q4 2020

Logistics Market Overview of the Czech Republic

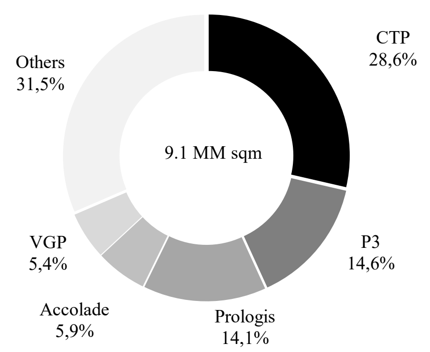
Key Indicators of Czech Logistics Market (Q4 2020)[16]

Total industrial stock / Industrial stock owned by the Group[17]	9,087,900 square metres / 2,598,500 square metres
Space under construction	344,600 square metres
Gross Take-up	1,525,200 square metres
Net Take-up	810,600 square metres
Vacancy rate	4.2%
Prime rent	EUR 4.75/square metre/month
Prime yield	5.25%
International Logistics Performance Index (World Bank 2018)[18]	22 out of 167

[13] Investment volumes exclude M&A deals and land & development deals. Western Europe includes DE, UK, FR, NL, ES, IT, BE.
[14] Investment volumes exclude M&A deals and land & development deals. CEE includes CZ, RO, PL, HU, SK, RS.
[15] Western Europe includes DE, UK, FR, NL, ES, IT, BE. CEE includes CZ, RO, PL, HU, SK, RS.
[16] Source: JLL, Q4 2020.
[17] Based on owned use-permitted industrial space (class A). Excludes hotels and offices. Source JLL, Q4 2020.
[18] World Bank's Logistics Performance Index scores countries on how efficiently they move goods across and within borders.

The Czech Republic is situated in the centre of Europe representing a gateway between the East and the West. Due to its developed motorway network it represents an attractive location for logistics companies servicing their customers both in the Western European and other CEE countries. In addition, the country's industrial tradition makes it a preferred location for many manufacturing companies. According to the World Bank, the quality of Czech logistics infrastructure, including its logistics property and the quality of logistics services are ranked highest amongst CEE countries.

Ownership split of industrial GLA as of Q4 2020[19]

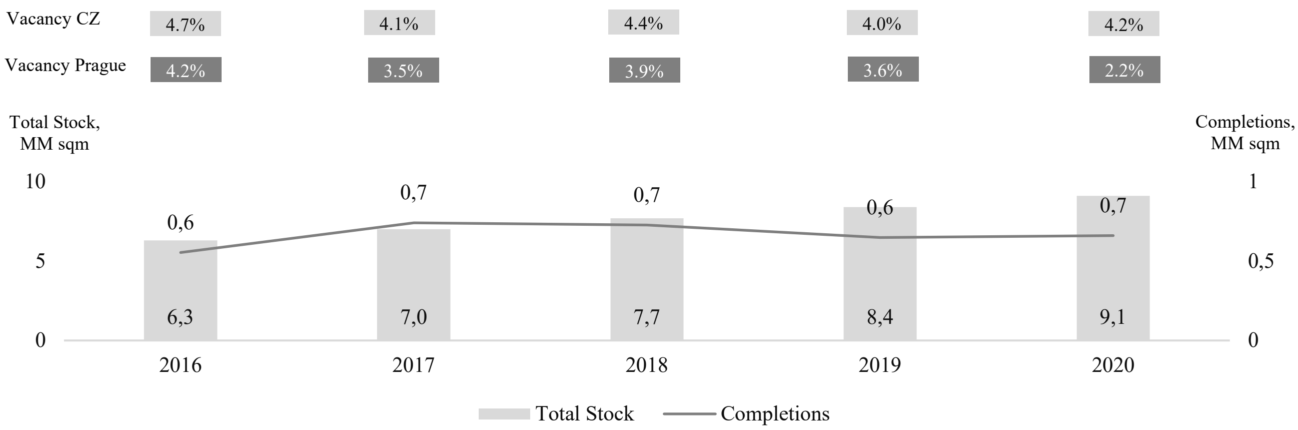


Source: JLL, Q4 2020

Development of total stock, completions and vacancy rates

At the end of Q4 2020, the total modern A-class industrial stock reached 9.1 million square metres. The majority of the stock is concentrated in the Greater Prague, Pilsen and South Moravia regions which constitute the key logistics hubs, altogether accounting for approx. 63 per cent. of the total national stock.

Strong ongoing demand and tight supply led to stable low vacancy rates in the last five years. As of the end of Q4 2020, the national vacancy stood at 4.2 per cent. The vacancy in Greater Prague reached 2.2 per cent, down 140 bps y-o-y, indicating extremely low supply in the Capital.

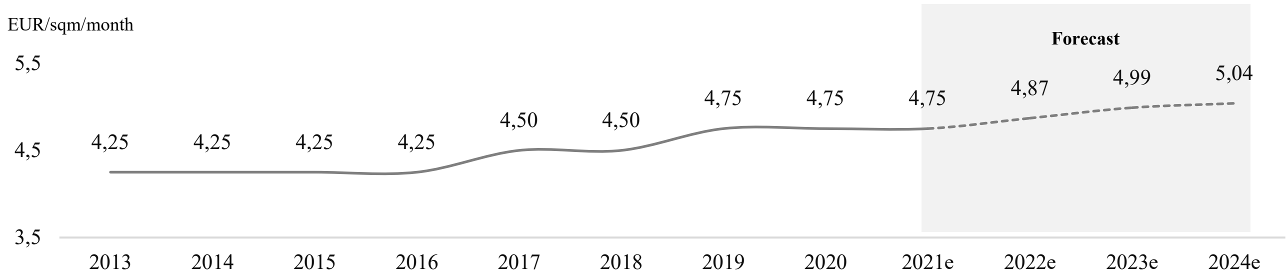


Note: Stock represents modern developer-led warehouse and industrial production space of A class quality owned by a developer or investor for lease to third parties. Completions refers to newly built stock. Source: JLL, Q4 2020

19 Based on owned use-permitted industrial space (class A). Excludes hotels and offices. Source: JLL, Q4 2020.

Development of prime industrial rents

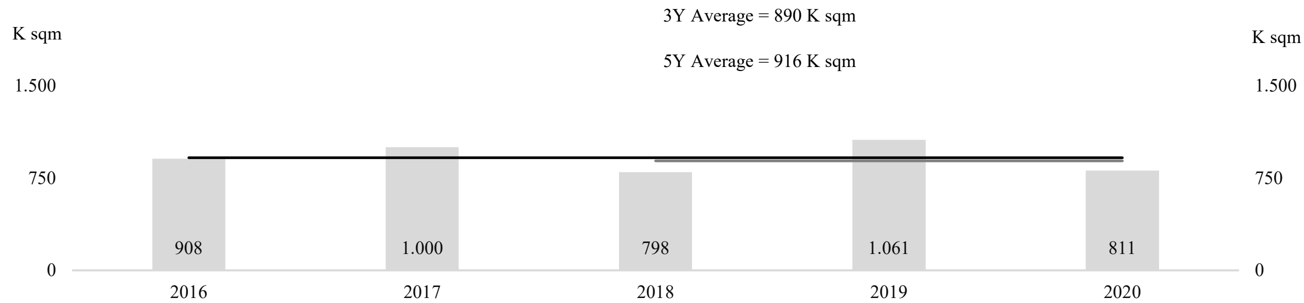
Over the last five years, the prime logistics headline rents witnessed a gradual rise from EUR 4.25/square metres/month in 2013 to the current level of EUR 4.75/square metres/month. Built-to-suit developments command higher rents than those quoted, especially when situated in locations with limited competition. Based on the latest JLL forecasts (November 2020), prime headline industrial/logistics rents in Prague are expected to grow by 1.2 per cent. on average p.a. in the next 5 years (Q4 2020 – Q4 2024).



Source: JLL, Q4 2020, forecasts as of Nov 2020

Net Industrial take-up (square metres) 2016 to 2020

Over 2020, demand for industrial space was muted. Overall, during 2020, net take-up amounted to 810,600 square metres, representing a y-o-y decrease of 24 per cent. It should be noted that during 2019, the market registered a record high net take-up, reaching 1,061,000 square metres.



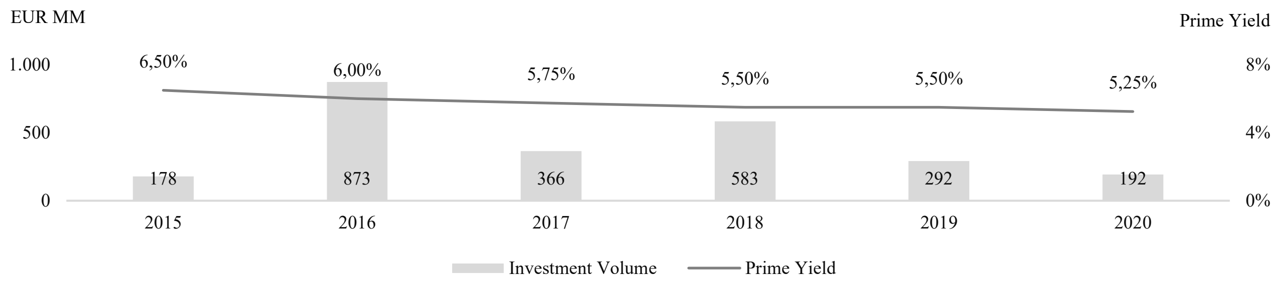
Source: JLL, Q4 2020

Industrial investment volume and development of industrial prime yield[20]

The logistics sector has historically been suffering from a lack of available product as significant part of the market is owned by the strategic players who rarely sell. Thus, the investment volumes recorded in the Czech market have been uneven. The most notable deals transacted in the last five years included the sale of the P3

[20] Investment volumes exclude M&A deals and land & development deals.

logistics portfolio acquired by GIC in 2016 and the Group portfolio sold to DEKA in 2018. As of Q4 2020 the prime logistics yield stood at 5.25 per cent., compressed by 0.25 per cent. since Q3 2020.



Source: JLL, Q4 2020

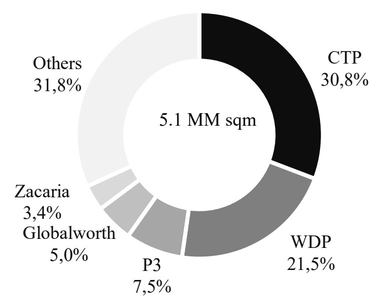
Logistics Market Overview of Romania

Key Indicators of Romanian Logistics Market (Q4 2020) [21]

Total industrial stock / Industrial stock owned by the Group[22]	5,052,000 square metres / 1,554,300 square metres
Space under construction	669,500 square metres
Gross Take-up	831,200 square metres
Net Take-up	661,100 square metres
Vacancy rate	6.2%
Prime rent	EUR 4.00/square metre/month
Prime yield	8.0%
International Logistics Performance Index (World Bank 2018)[23]	48 out of 167

Romania benefits from a strong geo-strategic location as it is positioned at the crossroads of three important markets: the European Union, the CIS states[24] and the Middle East, and crossed by three important pan-European transportation corridors. As a result, the Romanian industrial and logistics market is showing a dynamic development. In the long run, the relatively low level of supply of industrial and logistics space per capita suggests the potential for a strong growth in the country's industrial and logistics stock.

Ownership split of industrial GLA as of Q4 2020[25]



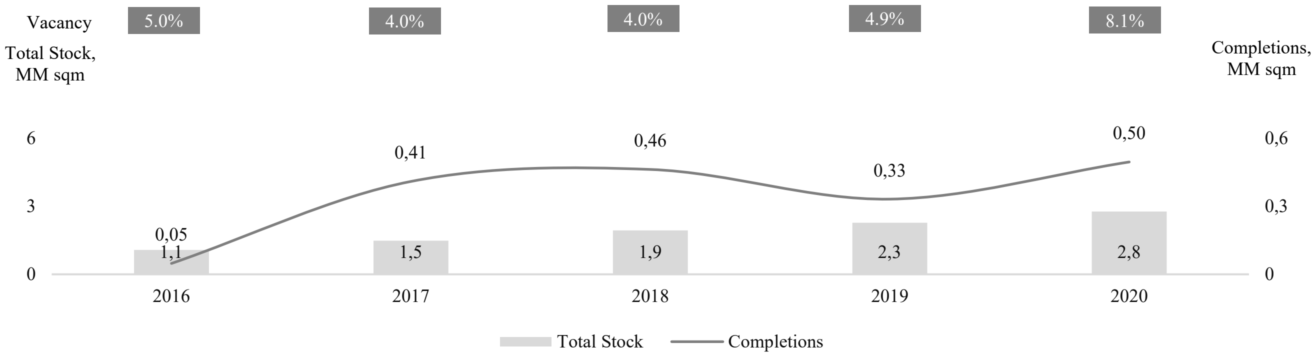
Source: JLL, Q4 2020

Development of total stock, completions and vacancy rates

Bucharest is the largest industrial market in the country with a 55 per cent. share, followed by West & North-West 17 per cent. and Center 15 per cent. regions. Construction activity remains high with more than 669,500

[21] Source: JLL, Q4 2020.
[22] Based on owned use-permitted industrial space (class A and B). Excludes hotels and offices. Source: JLL, Q4 2020.
[23] World Bank's Logistics Performance Index scores countries on how efficiently they move goods across and within borders.
[24] Commonwealth of Independent States.
[25] Based on owned use-permitted industrial space (class A and B). Excludes hotels and offices.

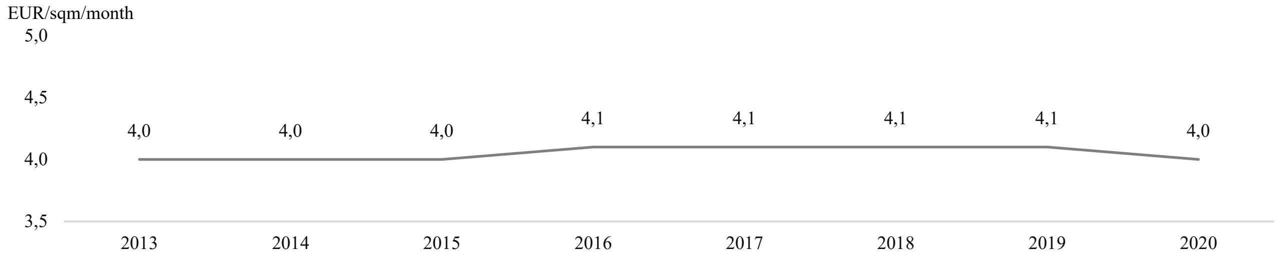
square metres of new logistics and industrial space under construction in Romania as of Q4 2020, which is the highest level in the last five years.



Note: Graph refers to Bucharest. Stock represents modern developer-led warehouse and industrial production space of A and B class quality owned by a developer or investor for lease to third parties. Completions refers to newly built stock. Source: JLL, Q4 2020

Development of prime industrial rents

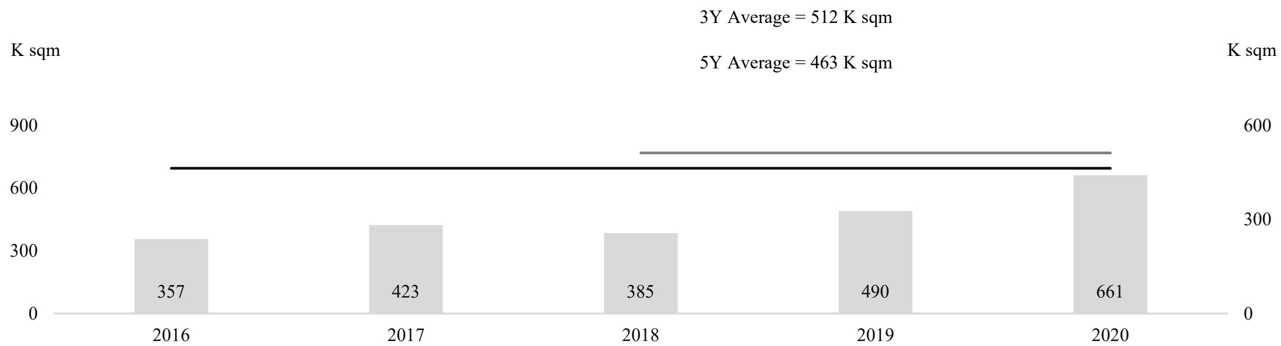
Due to stronger supply and increased competition predominantly in the market of Bucharest, rents for industrial space marginally decreased during Q3 2020, reaching between EUR 3.6 and EUR 4.0/square metres/month in Bucharest and its vicinity, and between EUR 3.0 and EUR 4.0/square metres/month in other regions of Romania and remained at a stable level of around EUR 4.0/square metres/month in Q4 2020. Even though the COVID-19 pandemic is continuing, it is unlikely to trigger a significant change in market rents for industrial spaces as demand remains robust.



Source: JLL, Q4 2020

Net Industrial take-up (square metres) 2016 to 2020

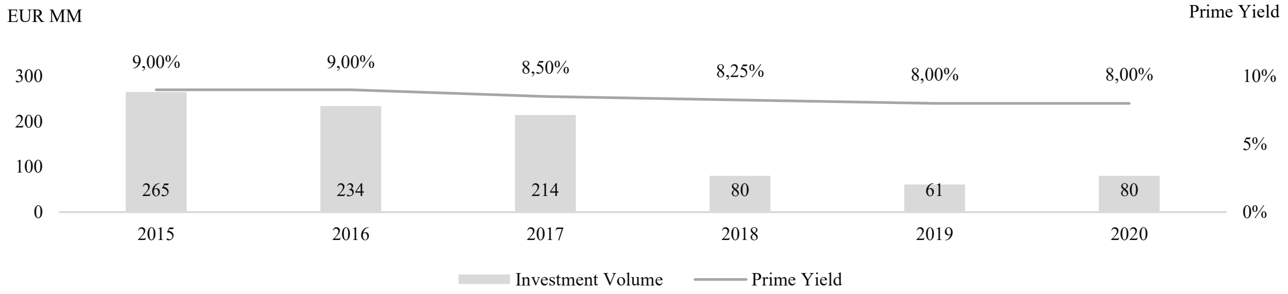
In 2020 total rental demand for modern industrial and logistics spaces in Romania summed up to approx. 831,200 square metres with net take-up accounting for 80 per cent. of the total – a record high take-up.



Source: JLL, Q4 2020.

Industrial investment volume and development of industrial prime yield[26]

Three out of five most notable deals transacted in the last five years were concluded by the Group. However, the market is still highlighted with lack of transaction availability. As of Q4 2020 the prime logistics yield stood at 8.0 per cent. Prime assets with unexpired lease terms significantly longer than the market average can achieve yields below those quoted as prime.



Source: JLL, Q4 2020

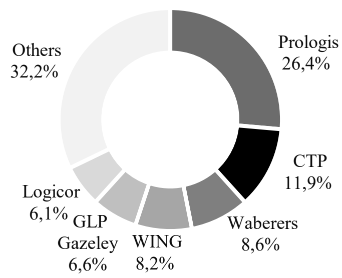
Logistics Market Overview of Hungary

Key Indicators of Hungarian Logistics Market (Q4 2020)[27]

Total industrial stock / Industrial stock owned by the Group[28]	2,374,900 square metres / 283,200 square metres
Space under construction...	150,000 square metres
Gross Take-up	537,900 square metres
Net Take-up..	343,500 square metres
Vacancy rate...	2.0%
Prime rent	EUR 4.75 EUR/square metre/month
Prime yield	6.90%
International Logistics Performance Index (World Bank 2018)[29]	31 out of 167

Hungary continues to attract more and more large foreign corporations to operate regional centres from Budapest or another Hungarian city in various fields, including logistics. This is largely driven by a well-developed motorway network connecting the country with the wider European markets. Budapest plays the main role in the Hungarian economy as the Capital, benefiting from its infrastructure and its central location in the country. As a result, the majority of industrial and logistics development activities and transactions are also concentrated in the vicinity of Budapest.

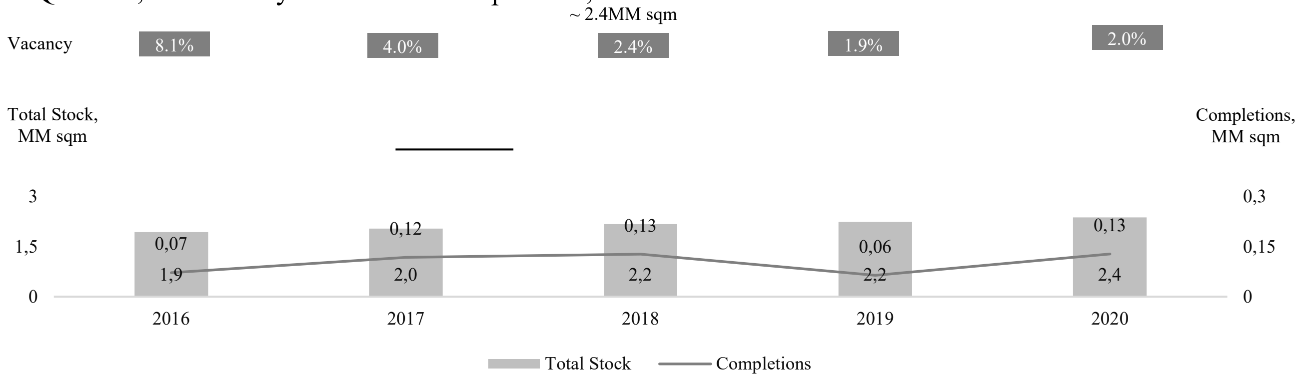
Ownership split of industrial GLA as of Q4 2020[30]



[26] Investment volumes exclude M&A deals and land & development deals.
[27] Data refers to the capital city of Budapest and its surroundings, i.e. Greater Budapest which represents the dominant industrial market of Hungary. Source: JLL, Q4 2020.
[28] Based on owned use-permitted industrial space (class A and B and owner-occupied stock). Excludes hotels and offices. Data refers to Budapest. Source JLL, Q4 2020.
[29] World Bank's Logistics Performance Index scores countries on how efficiently they move goods across and within borders.
[30] Based on owned use-permitted industrial space (class A and B and owner-occupied stock). Excludes hotels and offices. Market share refers to Budapest.

Development of total stock, completions and vacancy rates[31]

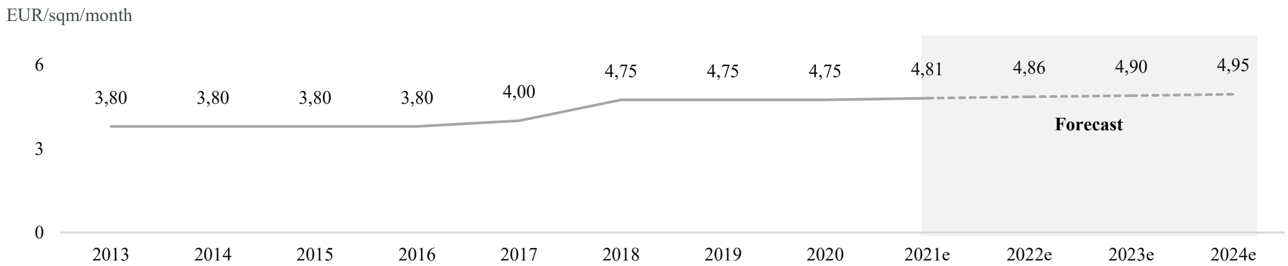
The total modern industrial stock in Greater Budapest and its surroundings stood at 2.4 million square metres at the end of Q4 2020. Currently there is ca. 150,000 square metres of space under construction at the end of Q4. In Q4 2020, the vacancy rate reached 2.0 per cent, almost the same as in 2019.



Note: Stock represents modern developer-led warehouse and industrial production space of A and B class quality owned by a developer or investor for lease to third parties as well as owner-occupied stock. Completions refers to newly built stock. Source: JLL, Q4 2020

Development of prime industrial rents

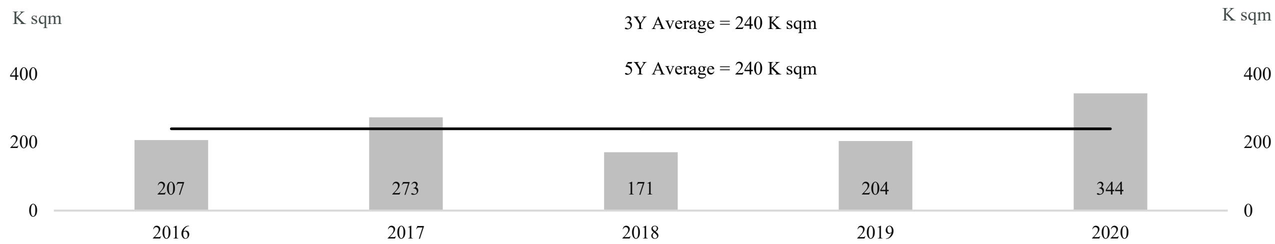
In Q4 2020, the prime industrial/logistics rents in a typical logistics park stood at EUR 4.25 - 4.75 /square metres/month. The inner-city logistics locations represent a small, independent market inside of Budapest, therefore the rents are higher on these assets than in other locations, with a recorded prime rent of EUR 6.00 /square metres/month.



Source: JLL, Q4 2020, forecasts as of Nov 2020

Net Industrial take-up (square metres) 2016 – 2020

After the global financial crises, during 2014 the negative market trends started to change and increased demand returned in 2015 and 2016. In 2017 the annual net take-up reached a record volume of 273,400 square metres. This high mark was exceeded already during 2020, with 343,500 square metres of net take-up being realised.

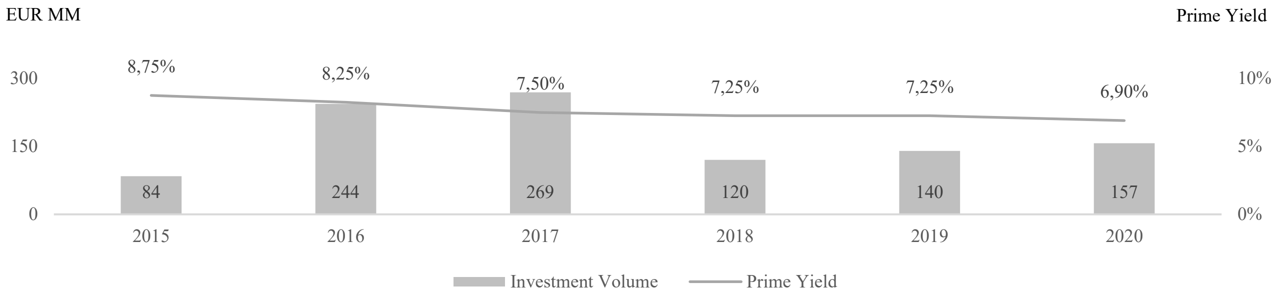


Note: Chart refers to Budapest, Source: JLL, Q4 2020

[31] Data refers to the capital city of Budapest and its surroundings, i.e. Greater Budapest which represents the dominant industrial market of Hungary.

Industrial investment volume and development of industrial prime yield[32]

In the last two years logistics became the favourite target of investors in Hungary. Despite the high interest for such assets, the lack of supply in the asset class has had a significant impact on transaction volumes. During the 2020 investment activity generated EUR 157 million of which nearly 75 per cent. was generated by Goodman's portfolio acquired by GLP Gazeley. According to JLL, prime logistics yield compressed by 35bps on Q1 2020 and stood at 6.90 per cent. in Q4 2020.



Source: JLL, Q4 2020

Logistics Market Overview of Slovakia

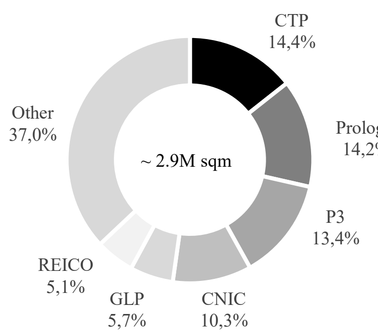
Key Indicators of Slovak Logistics Market (Q4 2020)[33]

Total industrial stock / Industrial stock owned by the Group[34]	2,931,800 square metres / 421,700 square metres
Space under construction...	304,500 square metres
Gross Take-up	414,400 square metres
Net Take-up..	321,800 square metres
Vacancy rate...	7.9%
Prime rent...	EUR 4.90/square metre/month
Prime yield	6.00%
International Logistics Performance Index (World Bank 2018)[35]	53 out of 167

Slovakia, along with its capital city Bratislava, are centrally located within the wider European market and benefits from a well-developed highway and rail system. Further improvement of motorway infrastructure connecting the country to the East is also continuing.

The present infrastructure is in the process of intensive development and modernisation. In order to promote further economic expansion and attract foreign investments, the Slovak government is following up on the priority of connecting the western and eastern part of Slovakia with a highway running between the cities of Bratislava and Kosice.

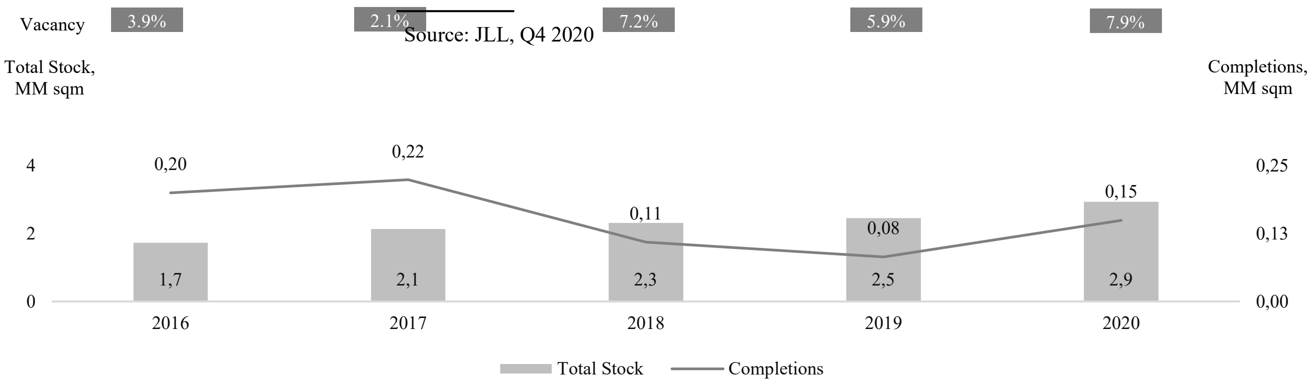
Ownership split of industrial GLA as of Q4 2020[36]



[32] Investment volumes exclude M&A deals and land & development deals.
[33] Source: JLL, Q4 2020.
[34] Based on owned use-permitted industrial space (class A). Excludes hotels and offices. Source JLL, Q4 2020.
[35] World Bank's Logistics Performance Index scores countries on how efficiently they move goods across and within borders.
[36] Based on owned use-permitted industrial space (class A). Excludes hotels and offices.

Development of total stock, completions and vacancy rates

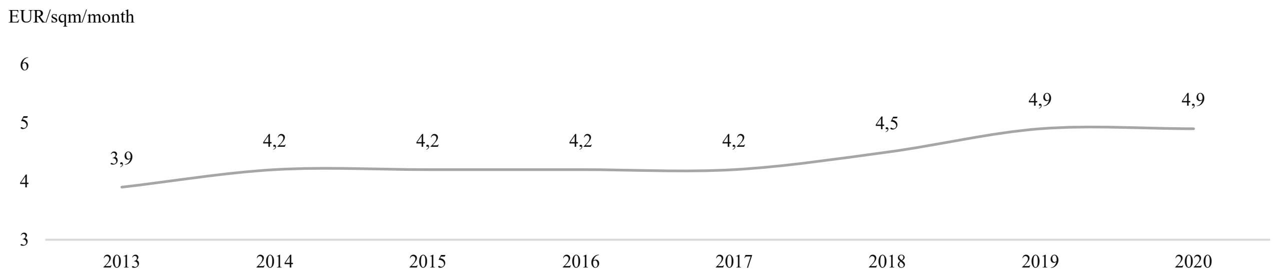
By the end of Q4 2020, the total modern industrial & logistics stock in Slovakia stood at 2.9 million square metres. Western Slovakia (including Greater Bratislava) accounted for almost 85 per cent. of total stock. Greater Bratislava is the largest of the Slovak industrial regions with almost 47 per cent. share of the country's supply. On the other hand, only 10 per cent. of the recorded stock is in Central Slovakia and 6 per cent. in Eastern Slovakia. The vacancy rate in Slovakia increased from 5.9 per cent. in Q4 2019 to the current level of 7.9 per cent. in Q4 2020. Majority of vacant industrial space within existing logistics parks is located in the Greater Bratislava region and in Western Slovakia.



Note: Stock represents modern developer-led warehouse and industrial production space of A class quality owned by a developer or investor for lease to third parties. Completions refers to newly built stock. Source: JLL, Q4 2020

Development of prime industrial rents

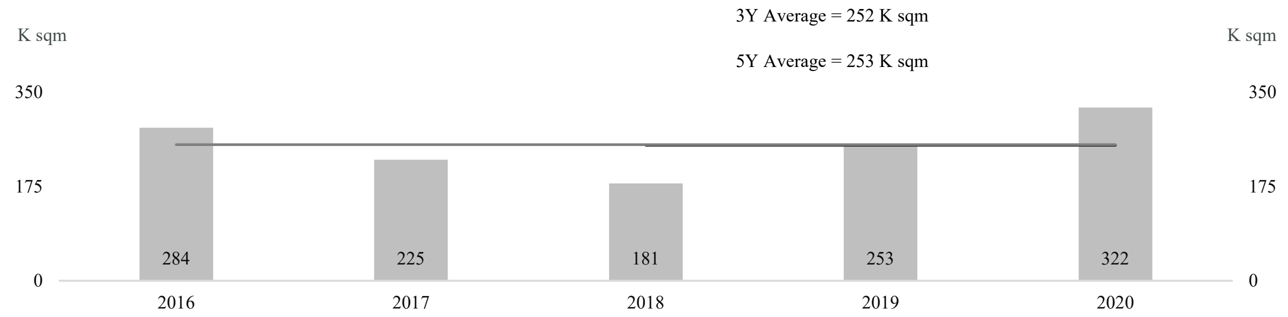
Rents in prime locations of Bratislava have kept their highest levels, while the lowest rates are being reported in highly competitive regions of Greater Bratislava and Western Slovakia.



Source: JLL, Q4 2020.

Net Industrial take-up (square metres) 2016 – 2020

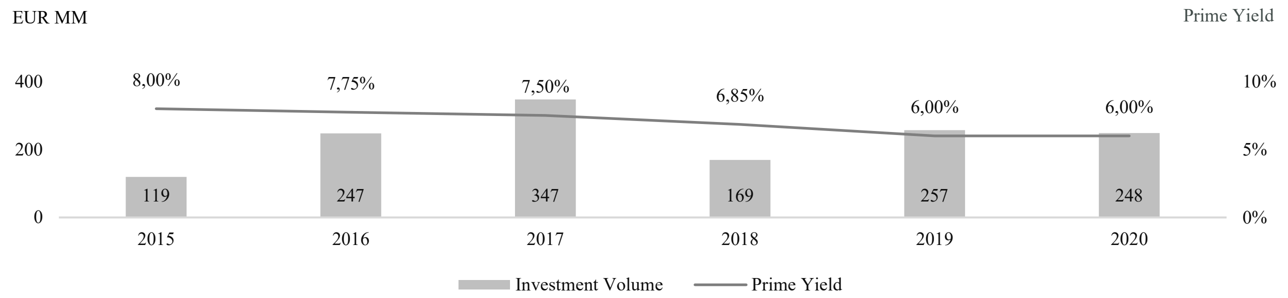
In 2020, net take-up in Slovakia reached 321,800 square metres, up 28 per cent. y-o-y. It was the best result over the 5-year period.



Source: JLL, Q4 2020

Industrial investment volume and development of industrial prime yield[37]

The industrial sector has gained significance based on the investment volumes recorded over the last five years. The pandemic situation and its economic consequences have strengthened this trend. Continuing occupier demand, mostly coming from e-commerce and food retailers, proved the resilience of the sector. During 2020 industrial investment activity accounted for circa EUR 250 million of which over 70 per cent. was generated by two notable transactions, Goodman's portfolio acquired by GLP Gazeley and Palmira Park Senec bought by Point Park Properties/P3. According to JLL, prime logistics yield stood at 6.0 per cent. in Q4 2020.



Source: JLL, Q4 2020

The Group's market positioning

As of 2020, the Group owned an industrial portfolio of 4.9 million of square metres across Czech Republic, Hungary, Romania, Slovakia and Serbia which constitutes 24.1 per cent. of the market share in these markets, confirming the Group's leading market position. In this top ranking the Group is followed by lower market shares of Prologis and P3, standing at 11.4 per cent. and 10.4 per cent. respectively. [38]

Building on its relationships with public authorities, existing customers and its development track-record, the Group has gained competitive advantage in the selected CEE markets. These markets, where the Group operates, are generally characterised by stringent planning and building regulations with complex and long administrative processes to deliver planning and construction permits, according to World Bank Doing Business Ranking, 2019. This feature constitutes a strong barrier to entry for inexperienced property developers and favours established players with intimate knowledge of local planning processes, strong relationships with public authorities and a track-record of successful development. Given the Group's accumulated critical mass, land

[37] Investment volumes exclude M&A deals and land & development deals.

[38] Based on owned use-permitted industrial space. Excludes hotels and offices. Source: JLL, Q4 2020.

banks and pipeline of development projects, the advantage of its position rests in the ability to offer a network of locations to a variety of businesses.

BUSINESS OVERVIEW

Overview

The Group is the largest full-service owner-developer of prime industrial and logistics property in the CEE region[39] and management believes it is among the five largest logistics property companies in Europe based on GLA.[40] It primarily operates in the Czech Republic and also in Romania, Hungary and Slovakia. The Group's diversified tenant base uses its mainly class-A[41] properties mainly for warehousing, light production or office space. In addition, the Group is a selective owner-developer of prime city-centre business parks providing premium office space in major cities in the Czech Republic where the Group also owns three hotels. The Group operates a tenant-led, vertically integrated business model whereby it develops its properties on land acquired. After handover to the tenant, the Group remains the long-term owner and provider of property management services, thereby closely aligning the Group's interests with those of its tenants.

The Group focuses on the development and ownership of large multi-use industrial and logistics business parks in order to address the largest potential tenant base via a flexible offering. As of 31 December 2020, the Group had a property portfolio of 6.3[42] million square metres of GLA with an Occupancy Rate of 94 per cent., GAV of EUR 5.9 billion for the entire property portfolio and of EUR 5.1 billion for its income producing assets.[43] The Group's strategy is focused on controlled organic growth of its property portfolio, primarily via tenant-led development, and selective strategic expansion into new geographies.

For the year ended 31 December 2020, the Group had Gross Rental Income of EUR 318 million, of which 63 per cent. was generated in the Czech Republic. The Group's profit for the year ended 31 December 2020 attributable to equity holders was EUR 252 million and the Adjusted EBITDA for the same period was EUR 229 million. As of 31 December 2020, the Group had 405 full-time equivalent employees, including associates.

The Group was established in the Czech Republic in 1998 and developed into a major logistics real estate owner-developer in the CEE region. The Company was established in 2019 as a holding company for the Group as part of its corporate restructuring. See "*—Group Structure*" below for more information.

The Company has a management team with extensive experience in the property industry, mainly in the CEE region, with particular expertise in asset and property management, finance, leasing and development. The Group also benefits from the local knowledge and expertise of its regional managers, whose input is integral to the business.

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[39] Source: CBRE.

[40] Based on data published by the respective companies as of 30 June 2020. According to PropertyEU, the Group was among the five largest logistics property companies in Europe based on GLA delivered between 2017 and 2019.

[41] The term 'class-A' is used by major commercial real estate agencies and other market participants to describe properties of the highest quality in the market. They are generally built according to stringent construction standards and possess high-quality building infrastructure. Class-A properties are also well located, have good access, and are professionally managed. As a result of this, they typically attract high quality tenants and command higher rents in their market. According to the classification used by the members of the Czech Industrial Research Forum, the most commonly used classification in the Czech Republic, class-A properties must have: (a) good access for trucks to main roads; (b) a clear internal usable height between six and 12 metres; (c) modern loading docks with levellers; (d) one overhead door per unit (exception applies to custom-built premises); (e) anti-dust floor; (f) minimum floor load bearing capacity of 5 tons per square metre; (g) skylights in the roofs that act as smoke vents; (h) minimum lighting power on floor level of 200 lux; (i) heating; (j) insulated facade (sandwich panels); (k) high standard office and social area available; and (l) car and truck parking. Similar classification is used also in other CEE markets where the Group operates including Romania, Hungary, Slovakia, Poland and Serbia. The Group carries out assessment as to whether its properties meet the criteria of 'class-A' in each relevant market. The status of the Group's properties as class-A is also indirectly confirmed by various market studies such as the Market Report which indicate volume of class-A properties in a given market and the Group's properties are included. As of 31 December 2020, the Group considers only a minor part of its portfolio not 'class-A', approximately 120 thousand square metres of GLA, which the Group is currently in the process of selling or redeveloping.

[42] The figure is for assets under management (including 390 thousand square meters of DEKA portfolio not owned by the Group).

[43] Investment property excluding land bank.

Operating segments

The Group's business is divided into six geographically based segments: (i) Czech Republic; (ii) Romania; (iii) Hungary; (iv) Slovakia; (v) Hotels; and (vi) Other, which mainly includes countries where the Group has a smaller presence: Serbia, Poland, Bulgaria, Germany and Austria.

With the exceptions listed below, each segment primarily consists of the Group's industrial portfolio and land bank located in that country and activities related to such portfolio including property development and property management in the respective country. However, the Czech Republic segment also includes four city centre office parks located in Brno and Ostrava and the Hotels segment includes three Courtyard by Marriott hotels in the Czech Republic only.

The table below sets out Gross Rental Income, Adjusted EBITDA and Investment Property in respect for each of the Group's segments as of and for the years ended 31 December 2020, 2019 and 2018:

Key Metrics	Czech Republic	Romania	Hungary	Slovakia	Hotels	Other	Total
			(in EUR thousands, unless otherwise indicated)				
2020							
Gross Rental Income.........	201,201	55,281	28,848	25,361	--	7,125	**317,817**
Adjusted EBITDA......	161,200	38,774	16,909	19,372	(5,265)	(2,368)	**228,622**
Investment property.......	3,543,874	943,630	371,820	362,940	--	163,966	**5,386,230**
2019							
Gross Rental Income.........	185,922	45,672	24,307	20,237	-	4,227	**280,365**
Adjusted EBITDA......	151,776	31,957	11,893	15,543	5,085	(1,735)	**214,519**
Investment property	3,314,964	695,729	281,300	314,620	-	114,745	**4,721,358**
2018							
Gross Rental Income.........	188,260	38,618	12,224	18,614	-	4,234	**261,950**
Adjusted EBITDA......	157,423	23,599	3,409	13,915	5,394	3,156	**206,896**
Investment property	2,929,548	575,940	231,305	217,802	-	69,373	**4,023,968**

Strengths

Management believes that the Group benefits from the following key strengths:

Highly attractive outlook for logistics property globally, with multiple positive demand drivers catalysed by COVID-19

The Group benefits from growing demand for logistics properties globally due to, among other things, increasing global trade and third-party logistics services, accelerating e-commerce penetration and reconfiguration of supply and manufacturing chains. Global trade increased threefold since 2000[44] and demand for logistics space more than doubled since 2010,[45] growing at a compound annual growth rate ("**CAGR**") of 9 per cent. in the period 2010 to 2019.[46] All of these factors have been catalysed by the outbreak of COVID-19, with logistics properties proving to be a resilient asset class during the pandemic as shown by low vacancy rates of approximately 5 to 6 per cent. across Europe and high rent collection rates of over 98 per cent. in 2020.[47]

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[44] Source: World Trade Organisation.
[45] Source: CBRE.
[46] Source: CBRE.
[47] Source: Vacancy rates are based on Savills as of Q3 2020. Rent collection is based on the company information as of 30 September 2020 and calculated as the average for the Group, Segro, WDP, Tritax BigBox, Tritax EuroBox, LondonMetric, Montea, Urgan Logistics, and Warehouse REIT.

COVID-19 also triggered structural changes favourable to European logistics, such as repatriation of certain industrial sectors and reassessment of increasingly stretched manufacturing and supply chains with selected sectors expected to require more production and stocks in Europe. See "*Market Overview*" for more information.

The outbreak of COVID-19 has accelerated a shift towards e-commerce across continental Europe, which is, however, still meaningfully below the levels in the United States, United Kingdom or China.[48] Online retail penetration in Europe is set to increase from 10 per cent. in 2019 to 14 per cent. in 2024.[49] Due to greater product variety, deeper inventory level and space-intensive parcel shipping operations, e-commerce distribution requires per unit of sale at least three times more logistics space than traditional brick and mortar retail, 93 thousand square metres as compared to 30 thousand square metres of logistics space per USD 1 billion of sales.[50] In 2019, CBRE estimated that a 5 per cent. increase in e-commerce penetration in Europe would require 25 million square metres of additional logistics space.

Management believes that the Group is well positioned to benefit from these market trends and increasing demand driving occupancy and rental income.

Among five largest logistics property players in Europe and largest logistics property player in the CEE (based on GLA) with leading position in four countries, a property portfolio with total GAV of EUR 5.9 billion primarily near capital cities and high and stable occupancy levels

The Group is the largest logistics owner-developer in the CEE[51] and management believes it is among the five largest in Europe[52] based on GLA. In the period from 2011 to 2020, the Group has grown its portfolio from 1.8 million square metres to 6.3 million square metres[53] of GLA, resulting in a CAGR of 13 per cent. In the same period, the Group had an average Occupancy Rate of 94 per cent. Further, as of 31 December 2020, the Group had a property portfolio with total GAV of EUR 5.9 billion.

As of 30 September 2020, the Group was the largest owner of logistics and industrial real estate in the Czech Republic and Romania, with a 28 per cent. and 29 per cent. market share, respectively, and the second and third largest in Hungary and Slovakia, respectively, with a 12 per cent. and 13 per cent. market share, respectively, in each case measured by owned permitted industrial stock of GLA.[54] The Group has also a growing presence in Poland, a market it has only begun to penetrate. It entered Poland in 2015, developed its first building in 2017 and grew the size of its own-built portfolio here from 36 thousand square metres of GLA as of 31 December 2017 to 42 thousand square metres of GLA as of 31 December 2020. In January 2021, the Group entered into a framework agreement with local developer MDC2 which establishes a mutually exclusive five-year relationship applicable to the territory of Poland with the aim to deliver to the Group at least 1.75 million square meters of warehouse or industrial GLA by the end of 2025. Once the Company becomes a public company upon completion of the Offering, the Company is set to become the largest logistics property company listed in continental Europe, as measured by GLA.[55]

The Group operates primarily in CEE countries displaying favourable macroeconomic trends. In the period from 2015 to 2019, the Czech Republic, Romania, Hungary, Slovakia, Serbia and Poland achieved average GDP growth of 3.9 per cent. as compared to 1.8 per cent. for the largest Western European[56] economies.[57] These CEE countries are also projected to have lower GDP decline than Western Europe in 2020[58] (4.6 per cent. as compared to 8.3 per cent.) and faster growth following the COVID-19 pandemic in 2021 to 2024 (3.8 per cent.

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[48] Source: eMarketer.
[49] Source: eMarketer.
[50] Source: Prologis Research.
[51] Czech Republic, Romania, Serbia, Hungary and Slovakia. Source: Market Report.
[52] Based on data published by the respective companies as of 30 June 2020.
[53] Figure is for assets under management (including 390 thousand square meters of DEKA portfolio not owned by the Group).
[54] Source: Market Report.
[55] Source: Based on GLA published by the respective companies as of 30 June 2020.
[56] Spain, Netherlands, Belgium, United Kingdom, Germany, France and Italy.
[57] Source: Oxford Economics.
[58] Spain, Netherlands, Belgium, United Kingdom, Germany, France and Italy.

as compared to 3.3 per cent.).[59] Demand for modern logistics properties in the CEE is primarily driven by e-commerce penetration and deep integration of supply chains with Western Europe. E-commerce sales are projected to increase in the CEE at a CAGR of 23 per cent. in the period 2019 to 2021 as compared to 13 per cent. in Western Europe.[60] In addition, the CEE region also benefits from high nearshoring potential due to favourable manufacturing labour costs, quality of infrastructure, regulatory environment and trade openness. The CEE markets where the Group operates generally have stringent planning and building regulations. This favours established players like the Group with intimate knowledge of local planning processes, strong relationships with public authorities and track-record of successful development.

The continued demand for logistics space in the CEE region is further evidenced by the fact that in the year ended 31 December 2020, the Group secured long-term leases for more than 1.175 million square metres of its property portfolio as compared to 1.143 million square metres secured in the year ended 31 December 2019. Given the location of the Group's properties in these markets, management believes that the Group is well positioned to benefit from long-term market growth and increasing demand driving occupancy and rental income.

Premium, class-A asset base grouped in network of 70 large multi-use 'CTParks', addressing a wide, international and diversified tenant base

The Group has focused on the development of large multi-use industrial and logistics parks and defines itself as a 'Parkmaker'. As of 31 December 2020, the Group industrial portfolio consisted of 68[61] industrial parks and two office parks strategically located adjacent to capital or major CEE cities and major transportation infrastructure. The parks consist of 100 per cent. freehold assets and feature the four largest industrial parks in the CEE region measured by GLA.[62]

The Group has a particularly strong presence near major regional economic cities such as Budapest, Bucharest, Bratislava, Prague, Brno, Pilsen and Ostrava, connected to main European transportation corridors. The parks are strategically positioned in carefully selected locations, typically located on the edge of capital or regional cities or close to important transportation infrastructure, and attract a large and diverse tenant base comprising local and international businesses. As of 31 December 2020, 84 per cent. of the Group's portfolio in terms of GLA were directly adjacent to cities with more than 100 thousand inhabitants and 46 per cent. of the Group's total GLA was in parks with GLA of 200 thousand square metres or more and 75 per cent. in parks with GLA of 50 thousand square metres or more. As of the same date, 60 per cent. of the Group's GLA was concentrated in just 14 parks, each offering over 100,000 square metres of GLA

Such parks offer maximum flexibility for a broad spectrum of business activities through standardised premium design and onsite shared amenities. The land parcels required for these sites are large and can require development over many phases which limits competition for land. The Group is also able to 'test' new product types such as cold storage, data centres or lab space in a risk-managed approach. Also, as tenant's businesses grow, the Group is often able to offer them additional premises (either new or expanded) at the current site. They also provide a source of employment, anchor within local communities, receive support from local authorities and benefit from proximity to universities. Many of these parks also have adjacent land held by the Group's land bank to allow the parks to grow with demand over time.

The Group views the key benefit of these large multi-use parks as the ability to appeal to a large potential tenant base including domestic and international logistics, high-tech companies, light manufacturing or e-commerce. This supports long-term tenant retention with the flexible offering enabling tenants to grow within a park over time. This also assists with long-term occupancy as such parks are not reliant upon specific sectors or designed

[59] Source: Oxford Economics.
[60] Spain, Netherlands, Belgium, United Kingdom, Germany, France and Italy. Source: eMarketer.
[61] 67 parks are owned by the Group and three parks are part of Deka Immobilien's portfolio (sold by the Group in 2018) and are under management of the Group.
[62] Source: Market Report.

for highly specific uses and different types of tenants can do business within a park, create synergies and foster development of local research and development hubs.

The Group has a wide and diversified international tenant base of blue-chip companies from a broad range of industries including third-party logistics (for example DHL, DSV and DB Schenker), manufacturing (for example ABB, Kompan and Zodiac Aerospace), high-tech/IT (Lenovo, Acer, Wistron and ThermoFisher), automotive (for example Yanfeng, Faurecia and Lear) and e-commerce/retail/wholesale and distribution (for example Primark, Profi or Rohlik.cz). The Group has achieved a solid balance between diversification and concentration of tenant base, with no single tenant accounting for more than three per cent. of the Group's total Gross Rental Income and the Group's top 10 tenants and top 30 tenants, based on GLA leased, accounting for 15 per cent. and 30 per cent., respectively, of the Group's total Gross Rental Income for the year ended 31 December 2020. The Group's typical lease structure includes an initial term of five to 15 years, with possible break options, euro denominated rent, annual rent indexation and typically benefits from financial sureties, such as bank guarantees, deposits and parent company guarantees. The Group maintains a stable lease maturity profile with WAULT of 6 years as of 31 December 2020 on a rolling basis, carefully managed to mitigate the risk of re-leasing, which provides the Group with resilient income streams.

Vertically-integrated business model delivering resilient, self-generated organic development-led growth and supported by 8.8 million square metres of owned land bank to capture development potential on existing parks

The Group provides a wide scope of services through its vertically integrated business model and dedicated in-house teams. In particular, the Group acts as general contractor[63] to construct the building, outsourcing to reliable, high-quality suppliers and, after handover, remains the owner and manager of the property,[64] continually investing in and upgrading the facilities to ensure lasting value to the tenants. The Group's in-house general contractor capabilities allow greater reactivity, reliability and profitability in the development process. In addition, keeping such services in-house has allowed the Group to maintain a direct relationship with its tenants and has resulted in high tenant retention and satisfaction, as evidenced by the Group's occupancy rates and business generated from existing customers. In the period from 2015 to 2020, the Group achieved an average tenant Retention Rate of 92 per cent. Further, 65 per cent. of the Group's new letting activity in the year ended 31 December 2020 was generated from existing tenants. This allows the Group to serve its tenants' location needs throughout its international footprint, either as an extension to an existing property or an entirely new facility in a different market. This expansion is supported by the Group's owned land bank in the CEE region of 8.8 million square metres as of 31 December 2020, with further 3.8 million square metres under exclusive option, resulting in a total of 12.6 million square metres, of which 65 per cent. was adjacent to the Group's existing parks. The Group estimates that it could build up to 5.4 million square metres of GLA on this land bank, representing approximately 43 per cent. The Group continually replenished its land bank and spent EUR 41.3 million, EUR 52.4 million and EUR 65.9 million in 2020, 2019 and 2018, respectively. Further, in the period from 2018 to 2020, the Group achieved an average Yield on Cost of 12 per cent.

Industry frontrunner on sustainability

Since its foundation, the Group has constructed its properties with a view to operate and own these long term. As a consequence, sustainability has been an important part of the Group's strategy which further attracts tenants, as they have been increasingly requiring high standards of sustainability in construction and operations. In January 2021, the Group completed the certification as 'very good' or better of its entire logistics and industrial GLA by the Building research establishment environmental assessment method ("**BREEAM**"), the world's first standardised method for assessing the sustainability of buildings. According to BREEAM GreenBookLive data as of December 2020, the Group had an 81 per cent. and 86 per cent. share of the green market in the Czech Republic and Romania, respectively, calculated as a percentage of all BREEAM certified buildings Project Type Industrial. In addition, the Group participates in a reforestation initiative whereby one square metre of land is reforested for every square metre in the Group's property portfolio. As of 31 December

[63] In all countries except Poland, see "*—Material contracts—MDC2 framework agreement*" below for more information
[64] Ditto.

2020, the Group already planted over one hundred thousand trees within forests it owns in order to renew biodiversity and reduce its carbon footprint. Since 2010, all of the Group's newly developed buildings are 'solar ready', meaning either that the roofs are built to allow the creation of a photovoltaic solar power plant on each building by incorporating the necessary hook-up technology, or they were built with solar panels already installed.

Entrepreneurial senior management team led by founder, shareholder and Chief Executive Officer ensuring strong alignment of interests

The Group has a strong management team with a proven track record and on average more than 14 years of experience in the property industry, mainly in the CEE region. The team is led by the Group's chief executive officer, founder and prior to the Offering the ultimate beneficial owner Remon Vos and chief financial officer Richard Wilkinson. Remon Vos has been fully committed to the Group since its foundation in 1998 and remains personally involved at both executive and operational levels in all markets. Mr. Wilkinson joined the Group in 2018, prior to which he was head of the CEE commercial real estate team of Erste Group in Vienna.

Mr. Vos and Mr. Wilkinson are jointly the executive directors of the Group and upon completion of the Offering, they will be joined by Ms. Barbara Knoflach, Mr. Gerard van Kesteren, Ms. Susanne Eickermann-Riepe and Mr. Pavel Trenka as non-executive members of the Board, ensuring active and transparent corporate governance. The directors of the Group are supported by an experienced management team consisting of 24 people. The Group also benefits from the local knowledge and expertise of its regional managers, whose input is integral to the business. The Company is committed to the continued and progressive strengthening the team, as well as implementation of best practices with respect to corporate governance and continues to adjust and further strengthen its internal practices in order to meet evolving standards.

Scalable platform with robust financial performance positioned for continued growth

The Group has grown its property portfolio to GAV of EUR 5.9 billion which includes GAV of EUR 5.1 billion for income producing assets[65] as of 31 December 2020, primarily by steady development of new projects on its land bank complemented by disciplined potential expansion in adjacent markets over time. The Group achieved a steady growth of its Gross Rental Income and Adjusted EBITDA, resulting in a CAGR of 10.1 per cent. and 5.1 per cent., respectively, for the years 2018 to 2020. In the same period, average Rental Collection and Occupancy Rate was 98 per cent. and 94 per cent., respectively. In addition, the Group benefits from a competitive annual total return profile, driven by a EPRA Net Initial Yield and Yield on Cost of 5.8 per cent. and 11.6 per cent., respectively, for the year 2020. The Group managed to finance its growth from cash flow generated from its operations and various external financing.

Prudent financing policy with steady outlook

The Group has maintained a prudent financial policy and credit metrics and has had a solid liquidity profile and conservative repayment profile. As of 31 December 2020, the Group's Net LTV was 50.7 per cent., further benefiting from an ICR of 3.8 times. The Group's Net LTV was stable in the period from 2018 to 2020, ranging between approximately 47 to 51 per cent. The Average Cost of Debt decreased from 2.5 per cent. in 2018 to 2.0 per cent. in 2020. This mainly reflected the Group's refinancing activity during the period mainly through bond issues in an aggregate amount of EUR 1.05 billion issued in 2020 under the Company's green bond programme (see "*—Financing arrangements of the Group*" below). In September 2020, the Company received a long-term issuer rating of BBB- (stable outlook) from S&P and a long-term issuer rating of Baa3 (stable outlook) from Moody's. In addition, should the Group receive improved rating after the Offering, the Group could benefit from more favourable interest rates, which could have positive effect on the Group's Average Cost of Debt.

[65] Investment property excluding land bank.

Strategy

The Group's strategy is in particular focused on:

Controlled organic growth of property portfolio, primarily via tenant-led development

The Group aims to take advantage of strong fundamentals of the European logistics markets and to continue to organically grow the size of its property portfolio in its current markets to achieve more than 7.5 million square metres of GLA under management by end of 2021 and more than 10 million square metres of GLA under management by 2023, primarily by constructing new properties on its owned land bank (see "*Business Overview—Business Plan Outlook*" below for more details). Management of the Group believes these targets are based on reasonable assumptions, primarily on the size of its owned land-bank, projects currently under construction and planned projects in the Group's current markets and largely identified location. The Group's land bank is mostly located in the vicinity of the Group's existing parks, in selected areas around logistics hubs with strategic development potential or in locations suitable for industrial manufacturing, in both cases mainly near capital or large cities. The Group actively adopts a tenant-led development strategy whereby new development is driven primarily by demand from the Group's existing tenants. The Group intends to grow by serving tenants' location needs, either as an extension to an existing property or by developing an entirely new facility in a different market. However, a number of events or factors could impact the Group's growth strategy and target, not all of which are known to the Group or are within the Group's control. See "*Important Information—Forward-Looking Statements*". The Group plans to continue to continually evaluate new opportunities to purchase land plots in strategic locations where the demand for logistics space is expected to increase, primarily in the area of tech parks and data centres.

Selective strategic expansion into new geographies

Given the structural shortage of modern logistics properties in the CEE region and increased demand for logistics space across Europe, the Group is considering selectively expanding to new markets where it currently has no or limited presence, primarily to neighbouring countries such as Austria, Poland, Serbia and Bulgaria and prospectively also to Germany, Estonia, Lithuania, Latvia, Greece, the Netherlands, Italy, France, the United Kingdom or Spain. To this end, the Group has established networks in Austria and Bulgaria including management and other staff, potential business partners, construction companies and prospective tenants, and also in Serbia where the Group already has a smaller presence. Currently, the Group has made first investments in these markets and expects the construction of new projects to commence in Austria, Bulgaria and Serbia by the end of 2021. Further, in January 2021, the Group entered into a framework agreement with MDC2 regarding future cooperation in sourcing, developing and managing assets in Poland for the Group, which establishes a mutually exclusive five-year relationship applicable to the territory of Poland with the aim to deliver to the Group at least 1.75 million square meters of warehouse or industrial GLA by the end of 2025 (see "*—Material contracts—MDC2 framework agreement*" below for more information).

Any such expansion will be consistent with the tenant-led strategy of the Group and will be focused on the Group's key strength of offering large-scale 'park-based' real estate. Given the market conditions elsewhere in Europe it may be that certain parks will include increased exposure to adjacent and complementary property types such as lab space, technology parks or data centres, likely alongside the Group's existing industrial portfolio, but also potentially on a standalone basis. In addition, tenants may ask the Group to consider expansion into geographies outside Europe, for instance Egypt and other North African countries or the near-East. The Group was for example invited by the Egyptian government to explore potential cooperation. The Group would consider any such expansion only if consistent with the tenant-led strategy described above, would only represent a small portion of the Group's invested capital and would be undertaken having considered the increased risk in such markets, in particular regarding property rights and liquidity of the investment.

Continued focus on sustainability and social responsibility

The Group intends to continue to focus on sustainability as an important part of its strategy going forward. The Group plans to ensure that all newly built or acquired buildings meet the Group's policy to be certified under the BREEAM scheme. The Group plans to re-certify all buildings every three years. Further, the Group plans to continue to invest in efficient renewable energy sources and other offsetting measures to be operational carbon neutral by the end of 2021. As of the date of this Prospectus, the Group was in the first phase of analysing its overall carbon footprint. The Group also plans to roll out photovoltaic solar power plants on rooftops of its buildings with a targeted capacity of approximately 250 MWp, with a total potential installed capacity of 700 MWp. The Group's capital expenditures are expected to reach approximately EUR 200 million over the period of seven years with a potential increase up to EUR 455 million in case that the total installed capacity will be 700 MWp. The Group targets to develop 20MWp of electricity capacity in the Czech Republic in 2021 alone. Furthermore, the Group has and continues to implement policies aimed at minimalizing carbon dioxide production such as recycling of materials, reforesting one square metre of land for each square metre of GLA over the medium term, application of smart lighting in the exterior, developing smart buildings and circular parks, obtaining ISO certification for entire portfolio and further optimisations to reduce electrical energy consumption. New materials are being implemented into the Group's standards to reduce embodied carbon dioxide and further offsetting measures are being implemented to achieve carbon dioxide neutrality of the entire portfolio. The Group also intends to issue only green bonds in the future.

The Group also plans to support local community groups and grass-root charities to create opportunities, particularly for disadvantaged youth and other underserved members of society. The Group is mainly active in helping socially disadvantaged people, supporting Tereza Maxová Foundation, whose aim is to provide effective assistance to abandoned and underprivileged young children, YourChance, which runs a program aimed at young disadvantaged adults, or Locika - childhood without violence, whose aim is to increase assistance to children at risk of domestic violence. In addition, the Group promotes education among different social groups such as CzechITas, the first community centre in the Czech Republic for the education of women and girls in the field of information technology, and cooperates with Brno University of Technology Faculty of Civil Engineering to help create opportunities for students to gain practical and real-world experience.

Active asset management and property enhancements

The Group is committed to the continuous improvement and active management of its property portfolio to increase net rental income by (i) increasing occupancy rates through actively leasing vacant spaces, (ii) offering new services and spaces such as project management and financing of above standard tenant improvements, managing additional building management and operational items on behalf of tenants in order to satisfy and retain existing tenants and (iii) reducing operational costs by working together with its tenants to reduce, among other things, utility costs which creates room for rental increases on renewals whilst still lowering the tenant's overall occupancy costs. Its strategy in this regard is to leverage the synergies between its asset management expertise on the one hand, and its development expertise on the other. The Group also intend to maintain Yield on Cost above 10 per cent., including potential dilution effect of entering new markets.

Disciplined approach to the Group's financial profile and policy

The Group has initiated a process of moving from the current position of utilising bank financing secured against its property portfolio over the medium term into a position of predominantly utilising unsecured debt in order to diversify its funding sources and improve financial flexibility. As of 31 December 2020, 69 per cent. of the Group's interest-bearing loans and borrowings from financial institutions and bonds issued were secured. The Company has received a long-term issuer rating of BBB- (Stable outlook) from S&P and a long-term issuer rating of Baa3 (Stable outlook) from Moody's. The Company's financial policy is to maintain a credit profile consistent with an investment grade rating, in particular to achieve and maintain a Net LTV of between 40 per cent. and 50 per cent., as well as a predominantly unsecured funding structure underpinned by a largely unencumbered asset base. To decrease its Net LTV, the Group has, as of the date of this Prospectus and subject to favourable market conditions and to obtaining all the necessary approvals, several options at its disposal, including (i) forming an institutional joint-venture on its standing industrial portfolio with the aim of reinvesting the proceeds into the Group's business, (ii) sale of assets, and (iii) reduction in the pace of development, and (iv) issuance of bonds.

Business plan outlook

This section provides information on key aspects of the mid-term business plan of the Group which it aims to achieve as of the date of this Prospectus. The business plan includes data on indicators such as the planned growth of the Group's GLA. Any of the projections below and other forward-looking statements are not guarantees of future performance and actual results could differ materially from current expectations. Numerous factors could cause or contribute to such differences. Please see "*Risk factors*" and "*Important Information—Forward-Looking Statements*" for more information.

The Group currently targets to organically grow the size of its property portfolio in its current markets to achieve more than 7.5 million square metres of GLA under management by end of 2021 translating into annualised rental income of more than EUR 400 million[66] and over 10 million square metres of GLA under management by end of 2023, primarily by constructing new properties on its owned land bank. Management of the Group believes these targets are based on reasonable assumptions, primarily the size of its owned land bank, projects currently under construction, current annualised rental income, planned projects in the Group's current markets and largely identified location, the amount of GLA the Group can build annually and the Group's take-up share.

The following table provides an overview of the Group's GLA growth targets in the year 2021:

GLA as of 31 December 2020[(1)]	Projects under construction as of 1 March 2021					Planned property acquisitions	Projects to start and be delivered	Target GLA as of 31 December 2021
	Czech Republic	Romania	Hungary	Slovakia	Serbia			
			(in millions square metres)					
6.3	0.4	0.2	0.3	0.1	0.1	0.2	0.1	**>7.5**

Notes:
(1) Includes the Group's own portfolio and 390 thousand square metres of Deka Immobilien's portfolio (sold by the Group in 2018) under management of the Group.

The following table provides an illustrative assessment of the Group's GLA growth targets in the years 2022 and 2023 based on the Market Report:

Target GLA as of 31 December 2021	Planned development in existing markets					Planned development in new markets	Planned property acquisitions	Target GLA as of 31 December 2023
	Czech Republic	Romania	Hungary	Slovakia	Other[(1)]			
			(in millions square metres)					
7.6	0.8	0.3	0.1	0.1	0.1	0.5	0.5	**>10.0**

Notes:
(1) Includes countries where the Group has a smaller presence: Serbia, Poland, Bulgaria, Germany and Austria.

In addition, the Group currently targets to maintain a stable Occupancy Rate of about 95 per cent., Average Cost of Debt of 1.6 per cent. and Yield on Cost above 10 per cent.

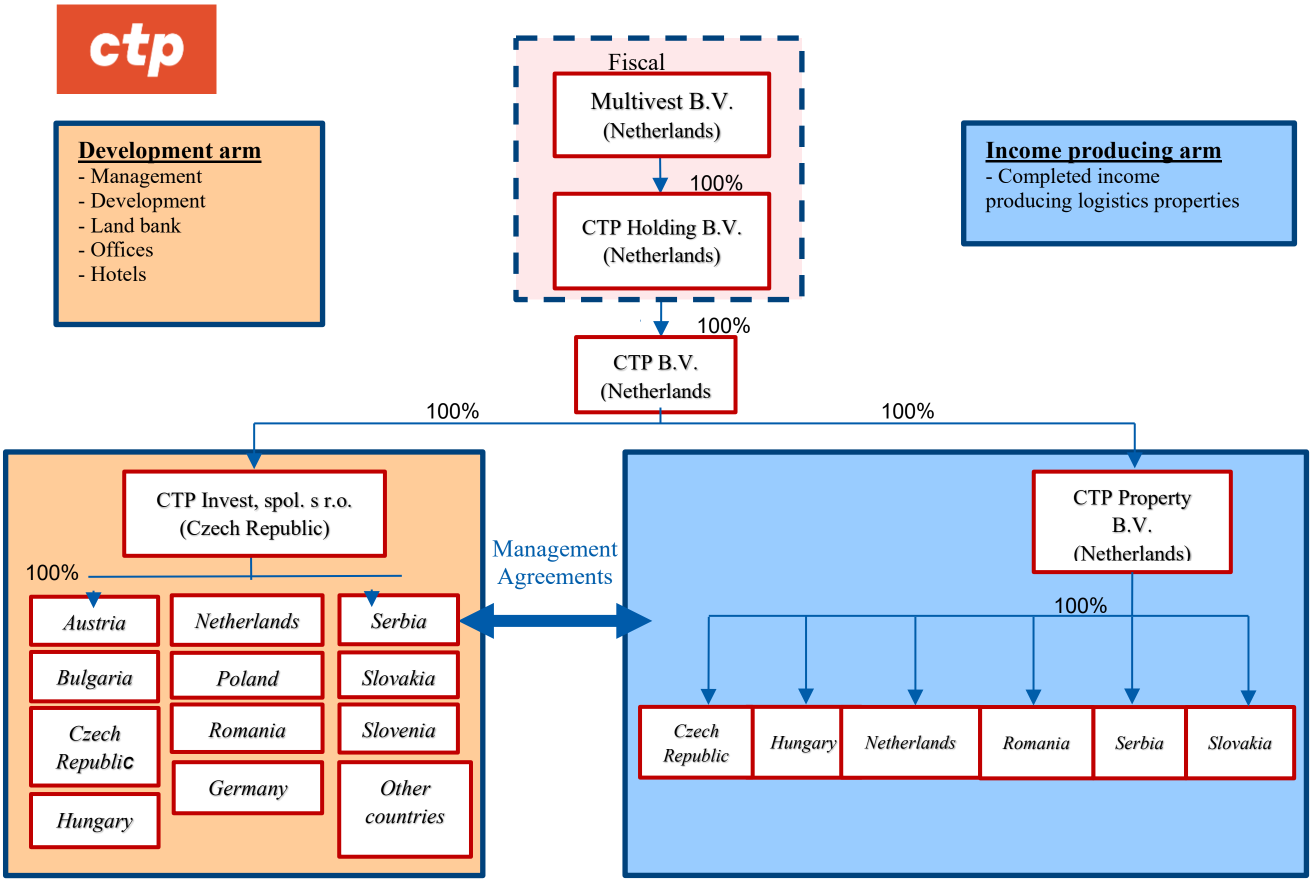
As of 31 December 2020, the Group owned a land bank of approximately 8.8 million square metres in the CEE region, with further approximately 3.8 million square metres under exclusive option, resulting in a total of approximately 12.6 million square metres, located primarily adjacent to existing parks, in selected areas around logistics hubs with strategic development potential or in locations suitable for industrial manufacturing. The Group estimates that it could build up to 5.4 million square metres of GLA on this land bank. As of 1 March 2021, the Group had a development pipeline of 1,019 thousand square metres of GLA under construction for 2021, with a land value of approximately EUR 61.9 million and estimated remaining development capital

[66] Calculated as the sum of annualised rental income of EUR 303 million, extras for above standard technical improvement of EUR 13 million and service fee of EUR 29 million divided by owned GLA of 5.9 million square metres, each as of and for the year ended 31 December 2020, applied to 7.1 million square metres of GLA by end of 2021 (calculated as owned GLA as of 31 December 2020 plus 1,019 thousand square metres of GLA under construction as of 1 March 2021 and planned property acquisitions for 2021 of 200 thousand square metres of GLA).

expenditure of EUR 312 million in 2021 (of which EUR 81 million is discretionary). Further, management estimates that the Group can build approximately 1.0 to 1.3 million square metres of GLA annually. The Group plans to continue to continually evaluate new opportunities to purchase land plots in strategic locations where the demand for logistics space is expected to increase. As of the date of this Prospectus, the Group plans to spend approximately EUR 100 million to EUR 150 million annually to replenish its land bank.

Group structure

The following chart shows a simplified version of the Group's structure as of the date of this Prospectus:



Notes:
(1) Includes countries where the Group has SPVs with no assets (Moldova, Estonia, Spain, United Kingdom, Turkey etc.).

The Company is primarily a holding company without material direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its Group Companies. The Company is also party to certain financing arrangements (see "*Operating and Financial Review—Financing arrangements of the Group*" for more information) and owns selected intellectual property rights.

For information on the Company's shareholding structure, see "*Sole Shareholder and Related Party Transactions*".

History

The Group was founded in 1998 when the Group commenced construction of its first business park in Humpolec, Czech Republic, located on the key motorway in the country between Prague and Brno. The following timeline provides an overview of significant steps in the evolution of the Group:

2000	The Group completed its first building.

2007	The Group became the largest industrial developer in the Czech Republic in terms of GLA.[67]
2011	The Group's annual income from rental activity exceeded EUR 100 million for the first time.
2013	The Group entered the Prague market and its property portfolio reached two million square metres.
2014	The Group launched its operations in Romania.
2015	The Group launched its expansion plan to reach three million square metres of GLA by 2020 and became a market leader in Romania with an acquisition of 380 thousand square metres.[68]
2016	The Group launched in Hungary, acquiring over 190,000 square metres of industrial assets.
2018	The Group's property portfolio reached five million square metres and the Group entered into a strategic 10-year partnership with Deka Immobilien, which included a sale by the Group of three business parks in the Czech Republic for EUR 410 million.
2019	The Group secured the refinancing of the complete Czech industrial portfolio by a syndicate loan facility for a total committed amount of approximately EUR 1.9 billion in the largest real estate financing deal to date in the CEE region.
	Mr. Remon Vos obtained full control of the Group.
2020	The Company established a EUR 4 billion euro medium term programme and issued EUR 1.05 billion green bonds thereunder in two issues.
2021	The Group's entire logistics and industrial GLA standing as of that date was BREEAM certified as 'very good' or 'excellent' in January 2021.
	The Group entered into a framework agreement with MDC2 regarding future cooperation in sourcing, developing and managing assets in Poland for the Group, which establishes a mutually exclusive five-year relationship applicable to the territory of Poland with the aim to deliver to the Group at least 1.75 million square meters of warehouse or industrial GLA by the end of 2025. See "*—Material contracts—MDC2 framework agreement*" below for more information.
	In February, the Company issued EUR 500 million green bonds under its euro medium term programme.

The Group's business

The Group is among the five largest logistics property companies in Europe based on GLA and the largest full-service owner-developer of prime industrial and logistics property in the CEE region.[69] It primarily operates in the Czech Republic and also in Romania, Hungary and Slovakia. The Group provides a wide scope of services through its vertically integrated business model and dedicated in-house teams. The Group develops class-A[70]

[67] Source: JLL.
[68] Source: JLL.
[69] Source: CBRE.
[70] The term 'class-A' is used by major commercial real estate agencies and other market participants to describe properties of the highest quality in the market. They are generally built according to stringent construction standards and possess high-quality building

industrial buildings for long-term hold and lease to a diverse base of international and domestic tenants who use them mainly for logistics, warehousing, light production, research and development, or as office space.

In addition, the Group is a selective owner-developer of prime city-centre business parks providing premium office space in major cities in Czech Republic, where it also owns three hotels. As of 30 September 2020, the Group was the largest owner of logistics and industrial real estate in the Czech Republic and Romania, with a 28 per cent. and 29 per cent. market share, respectively, and the second and third largest in Hungary and Slovakia, respectively, with a 12 per cent. and 13 per cent. market share, respectively, in each case measured by owned permitted industrial stock of GLA.[71]

Business model

Overview

The Group provides a wide scope of services through its vertically integrated business model and dedicated in-house teams from the identification of the clients' requirements and acquisition of the land, design, permitting and financing of the property, acting as general contractor to construct the buildings, to contacts with potential tenants and the property management after handover to tenants. Keeping such services in-house has allowed the Group to maintain a direct relationship with tenants and has resulted in high tenant retention and satisfaction, as evidenced by the Group's retention and occupancy rates and business generated from existing customers. The only exception is Poland where the Group entered into a mutually exclusive framework agreement with local developer MDC2 who will provide development and property management services to the Group in respect of all its real estate properties in Poland (please see "*—Material contracts—MDC2 framework agreement*" below for more information). In case this model is successful, it may be implemented in other countries where the Group plans to expand, for example Austria or the Netherlands.

Portfolio management

Through active portfolio management, the Group seeks to grow its property portfolio and optimise its size and composition of different locations and tenancies. The Group regularly assesses opportunities for strategic acquisition of land plots and existing logistic parks and properties. In the past, the Group focused primarily on acquisition of land plots and development of properties on this land. Going forward, in addition to the acquisition of land plots, the Group intends to assess acquisitions of existing properties in order to strengthen its market position and expand to new markets. As of the date of this Prospectus, the Group has a pipeline of projects planned or under construction, including in countries where the Group has only limited presence so far, providing the Group significant growth potential. (see "*—Projects under construction*" and "*—Land bank*" below for more information).

The Group targets strategically located income-producing properties or land plots, from which the management believes the Group can generate extra added value through development, profitable lease terms, asset management and redevelopment with capital expenditure investment. Subject to meeting its required return targets, the Group may exceptionally acquire a land plot for a specific tenant for a fully built-to-suit solution if the tenant needs a location outside the Group's existing network. The locations are carefully selected, taking

infrastructure. Class-A properties are also well located, have good access, and are professionally managed. As a result of this, they typically attract high quality tenants and command higher rents in their market. According to the classification used by the members of the Czech Industrial Research Forum, the most commonly used classification in the Czech Republic, class-A properties must have: (a) good access for trucks to main roads; (b) a clear internal usable height between six and 12 metres; (c) modern loading docks with levellers; (d) one overhead door per unit (exception applies to custom-built premises); (e) anti-dust floor; (f) minimum floor load bearing capacity of 5 tons per square metre; (g) skylights in the roofs that act as smoke vents; (h) minimum lighting power on floor level of 200 lux; (i) heating; (j) insulated facade (sandwich panels); (k) high standard office and social area available; and (l) car and truck parking. Similar classification is used also in other CEE markets where the Group operates including Romania, Hungary, Slovakia, Poland and Serbia. The Group carries out assessment as to whether its properties meet the criteria of 'class-A' in each relevant market. The status of the Group's properties as class-A is also indirectly confirmed by various market studies such as the Market Report which indicate volume of class-A properties in a given market and the Group's properties are included. As of 31 December 2020, the Group considers only a minor part of its portfolio not 'class-A', approximately 120 thousand square metres of GLA, which the Group is currently in the process of selling or redeveloping.

[71] Source: JLL Research.

into account long-term client demand. The construction of the buildings allows a transformation from logistic to light production usage and opposite. The Group's aims to establish core locations (in capitals, along main highways, or in commercial hubs) and building structures that can also serve additional tenants beyond the first for whom the Group developed the building. In case the Group acquired a land plot in a non-core location, it adjusts the lease terms to reflect this. Such projects occur occasionally and typically for already existing clients who are already leasing space elsewhere within the Group's network or for clients that are considered to be of strategic importance or as part of a larger business agreement.

The Group has regionally focused teams of business development professionals seeking acquisition opportunities. The Group also communicates with local authorities and seeks to ensure that its projects are supported by the relevant communities.

All strategic acquisitions and disposals of assets within the property portfolio are carried out in accordance with the Group's investment and disposal criteria, which include the following key elements:

- Land plots profile: the Group's main focus is on acquisition of land plots from 10 hectares which enable the creation of logistic parks, thus providing economies of scale and more flexibility in case of future vacancies; however, in high demand location such as in capital cities the Group may also consider acquiring smaller land plots from approximately two hectares; the land plots must be zoned for logistic or light industrial use (or the acquisition is conditional upon such zoning being in place), unless the Group considers it highly probable that the zoning will be changed and the price is acceptable;

- Existing properties profile: modern, A-Class, environmentally sustainable logistic properties which meet the Group's requirements regarding the location, quality of the building, solid tenant base; the Group can consider acquiring properties which do not meet some of the criteria, if a property is a good fit for the Group's portfolio, the purchase price is adequate, and the Group expects to add value to the property;

- Location: proximity to highways and ring roads, important logistic access, in the vicinity of important city centres with living concentration or commercial/production hubs, and public transportation;

- Geographic distribution: the Group targets acquisitions primarily in the CEE and neighbouring countries in line with its strategy (see "*—Strategy*" above);

- Disposal: the Group's strategy is long term ownership and management of the industrial properties. If a disposal occurs, it is because an asset does not fulfil the Group's criteria. These are usually assets acquired in a package with other, core, properties, or assets in locations which are no longer the Group's focus. Disposals are executed on market terms through an open tender. The sale to Deka Immobilien (see "*—Material Contracts—DEKA SPA and guarantees*") was an exception as the Group disposed of these properties in relation to the ownership consolidation of the Group and part of proceeds from the sale was used to finance the purchase price of the shares.

Each acquisition or disposal are evaluated and approved by the Board. After approval for an acquisition, the Company participates in a tender and places its offer. If the offer is accepted by the seller, technical, legal, tax, financial and environmental due diligence is performed. The conclusions from the due diligence and conditions of the transaction documentation are reviewed by the Board prior to the execution of the transaction. As a general rule, any acquisition of land is subject to first obtaining the zoning and/or planning permit for industrial properties and the absence of any other obstacles, such as environmental issues or infrastructure works.

After approval for a disposal, documents for a purchaser's due diligence are prepared and the tender for the relevant property or properties is opened. The selected purchaser, as well as final commercial and legal terms of the disposal, are approved by the Board prior to signing the transaction.

For example, in 2020, the Group acquired two existing properties in Bucharest, Romania. Both projects were positioned in the existing park of the Group and through the acquisitions, the Group consolidated ownership of the location. As a result, the park's GLA increased by 145,000 square metres, which corresponds to approximately EUR 5 million of annual rental income. Further, in 2019, the Group acquired approximately 12 hectares of land plots in a new location within the city of Brno, Czech Republic, enabling the developments of approximately 65 thousand square metres of GLA. The Group was well established in Brno and through this acquisition was able to offer additional space to its clients. The site is developed and managed by the existing local CTP team.

Development

The Group defines itself as a 'Parkmaker' and primarily develops large multi-use industrial and logistics business parks on land within its land bank. It oversees the construction process from initiation to completion, thereby ensuring that the completed property meets the tenant's needs and specifications.

The Group acts as the general contractor[72] to construct the parks, aiming to complete construction on-time and on-budget and adhere to the highest safety standards, outsourcing to reliable, high-quality suppliers. This outsourcing covers all work streams necessary for development of the building including technical supervision, construction of the frame and roof as well as interior security of the building. The Group manages the design process, which ensures multi-purpose utilisation throughout the life cycle of the building. The Group has a dedicated in-house team of project managers handling all aspects of the construction process, including design, permitting and engineering, supported by a limited number of external offices of architects and designers, which work closely with the tenant to agree detailed building specifications, from floor loading, ceiling height, temperature requirements, to sufficient office and sanitary space. Once a floorplan and construction schedules are agreed, the Group undertakes a full tendering and procurement exercise to price development and appoints contractors who meet budget, quality and environmental standards. It also arranges and manages development financing, and plans and oversees the construction process from initiation to completion, which usually takes between six and 12 months. The Group thereby ensures that the completed building meets the tenant's needs and specifications.

When redeveloping and constructing new buildings, the Group endeavours to use environmentally sustainable materials wherever economically viable. The Group centrally defines and applies standardised construction design specifications. This standardisation of key architectural components further accelerates the construction process. The Group centralises the purchase of materials and construction components for its buildings at each of its local offices, which the Group believes enhances its negotiation power and allows it to realise economies of scale. Due to its size, the Group is an important customer of its suppliers. It has framework agreements in place with a number of its regular suppliers.

To Group needs to obtain permits for its development activities. Although there is generally an obligation for the responsible authority to grant such a permit if all applicable legal requirements are satisfied, the authorities may, on a case-by-case basis, decide to grant building permits only under specific conditions or constraints or may even refuse to grant such permits at all. In addition, objections by municipalities, owners of surrounding plots of land and other interested parties may delay the granting of permits or otherwise materially adversely affect the Group's ability to undertake development activities. Prolonged negotiations with the relevant municipality and the interested parties during the permitting process may significantly delay the development project and if the Group fails to reach such an agreement, it may be forced to amend or even abandon a particular development project. With respect to the majority of land over which the Group has a purchase option, the Group is not obliged to purchase land if a permitting process fails due to relevant reasons. See also "*Risk Factors —The Group is exposed to the risk of cost overruns, delays or other difficulties in relation to its development activities*" and "*—Land under option*" below.

New properties are constructed mainly on a pre-let basis, meaning construction starts usually when more than 50 per cent. of pre-let agreements with future tenants are in place, and, to a lesser extent, at the Group's own risk. The Group engages in such speculative development when economically prudent and seeks to undertake

[72] In all countries except Poland, see "*—Material contracts—MDC2 framework agreement*" below for more information

any such development in markets with particularly high occupancy rates or in which it believes demand is currently outstripping supply.

As of 31 December 2020, 63 per cent. of the Group's committed development pipeline for 2021 of 740 thousand square metres was already pre-let and the Group had committed development capital expenditures of EUR 192 million for this pipeline. As of the same date, the Group's average development costs varied between EUR 375 to 450 per square metre. For pre-let buildings, the Group develops the properties in close co-operation with the future tenants. Usually once the construction of the building shell is finished, the Group closely works with the tenant to install specialised manufacturing machinery, technology and other details such as employee break out rooms, and furnishings. However, the buildings are always finished in accordance with the Group's prevailing technical and quality standards.

In addition, before the tenant moves into the property, the Group can also assist the tenant in finding appropriately skilled workers through its job portal. If required, posts can be pre-filled, and workers trained before the facility is handed over.

Property management

Overview

After handover of properties to the tenants, the Group remains their owner and manager of the property and keeps close contact with the tenant through its employees placed in the parks to ensure the proper and undisturbed operation of the building. Property management services are provided internally by designated Group property management companies in the respective country to the relevant property companies on the basis of property management agreements.[73] The Group has its employees present on site at all large industrial and logistics parks with a total of approximately 120 facility managers taking care of tenants. The respective property companies, as landlords, agree in the lease agreements concluded with their tenants on the scope of maintenance, revision controls, repairs and other services, whereas those are being either (i) provided by the landlord, primarily on the basis of a fixed service charge, or alternatively on the basis of actual costs with advance payments which are reconcilable, or (ii) performed by the tenants. The respective property companies then conclude separate property management contracts with the relevant service company pertaining to the Group, which acts as the manager and through which the delivery of the services which are to be provided by the landlord under the tenant's leases is secured. Standard services provided by the Group at all parks usually include maintenance of the common parts of the park, grass cutting, snow clearing, regular trash disposal and park management. The Group ensures that parks are well maintained to create an optimal work environment. The Group also maintains and repairs the structural parts of the properties leased to the tenants. In addition, tenants may choose to opt for a full-service package in which, on top of the standard services, the Group provides further services, such as revision controls of the building's technology, maintenance and repairs of the properties leased by the tenants which would have otherwise been at the responsibility of the tenants. Tenants can report incidents to park and facility managers non-stop, through the Group's on-line service desk application supplied by IBM in which tenants report incidents and which automatically logs and communicates with park and facility managers.

In line with its long-term build-to-hold investment strategy, the Group also continually undertakes property enhancement or refurbishment opportunities in order to ensure lasting value to the tenants, improve rental income and increase long-term occupancy rates at its properties. It will selectively forgo rent for a period of time in exchange for a tenant making improvements to a property, in combination with a prolongation of the lease. Examples of property enhancement opportunities include, among others: (i) extending or enlarging existing facilities; (ii) developing land adjacent to properties in the property portfolio to create new buildings or additional space for a tenant; (iii) re-shaping or re-fitting a facility to meet the particular needs of a tenant in connection with a new lease, or in exchange for an increased rental rate or a longer lease term; (iv) introducing "green technology", which may help to reduce a tenant's operating costs while enhancing the value of the

[73] In all countries except Poland, see "*—Material contracts—MDC2 framework agreement*" below for more information

property; (v) modernising the security and/or other operational systems within a particular facility; and/or (vi) carrying out a general refurbishment of a facility in order to maintain or increase its value.

Property management entails maintaining and managing relationships with tenants, marketing a property when a vacancy is identified, negotiating and securing favourable lease terms with new and existing tenants, calibrating capital expenditure by refurbishing or re-fitting selected properties in order to increase their value and identifying new and innovative ways to earn rental income from a property. It also entails negotiating with tenants that are not meeting their lease agreement obligations and ensuring that asset values are not diluted by adverse tenant usage. This process usually starts with amicable and informal discussions with the aim to find the best mutual solution. If this cannot be reached and the breach remains uncured, the Group's management may decide to follow the mechanisms and instruments for redress available the Group in the lease agreement. The aim is, however, to solve any property management dispute solely between the Group and the tenant. Involvement of third parties or official bodies such as courts or arbitration tribunals is not a preferred solution and as such typically not used for such disagreements. Property management also entails ensuring tenants are using their premises as contemplated by their lease agreements and confirming that suitable rental security is provided by tenants and then enforced as required.

In addition, the Group provides property management services to Deka Immobilien (see "*—Material Contracts —DEKA SPA and guarantees*" below for more information).

Tenants and lease structure

A key role of the Group's property management function is the negotiation of lease terms with new and existing tenants. The buildings are generally leased under long term lease agreements to tenants which are active in the logistics sector, ecommerce and/or light manufacturing sector, such as assembling, re-conditioning and final treatment of the goods prior to transport to industrial tenants or retailers.

Through its experienced professional leasing teams, the Group remains up-to-date with market-standard leasing terms and seeks to enter into leases consistent with prevailing market practice. The Group's typical lease structure includes an initial term of five to 15 years, with possible break options or prolongation options, euro denominated rent, annual rent indexation and typically benefits from financial sureties, such as bank guarantees, deposits and parent company guarantees. The tenants cover the costs of consumed utilities, in most cases directly, unless technically not possible, and insurance of its business and equipment. The Group provides services related to the common areas of the parks (such as access roads, common paved areas and greenery), in most cases based on a fixed service charge payable by the tenants of the relevant park. As regards the split of obligations related to maintenance, revision controls and repairs of the leased property, the Group usually secures fulfilment of those obligations at its own costs with respect to structural parts of the properties and carries out major repairs, whereas the rest should be performed by the tenants (unless they opted for the full-service package) at their own costs. The tenants' leases often contain a cap on the expenses to be spent by the tenant on repairs for both each individual repair and all repairs carried out within one year. In case this cap is exceeded, the Group must cover any additional costs. The costs of building insurance and property taxes are either borne by the Group or in some cases are being re-invoiced to the tenants.

The Group regularly evaluates and revises the rental rates of its warehouse properties based on market data, comparable leases recently entered into at competing properties, recent and on-going lease negotiations and tenant discussions, information on market supply and demand (including the current occupancy rates at a particular property) and prevailing market conditions. In addition, the lease agreements the Group has entered into with its tenants normally contain a fixed adjustment of rent clause between 1 and 2 per cent. per annum.

Although the majority of the Group's tenants are predominantly large, well-established corporate entities, the Group undertakes rigorous due diligence procedures prior to entering into any new lease. These procedures are designed to identify risks associated with tenants in order to mitigate any future problems that could arise as a result of such tenant being unable to meet its lease payment obligations. Among other things, the Group carries out credit checks on, and secures any necessary guarantees from, a new or existing tenant as required by each particular situation.

Tenant relationship

The Group attaches great importance to its direct client relations. The Group's business development officers are responsible for the contacts with the existing and potential tenants, the proposals and monitoring of the tenants' requirements during the building process until the handover of the premises. Generally, the Group engages with tenants primarily via its business development teams, its property management teams, through real estate agents, at trade fairs and through various media and advertisement channels (the Group launches awareness campaigns through offline and online advertising and press coverage). Moreover, the Group encourages intra-park business relations through annual park meetings and supports its wide range of tenants in finding new opportunities to collaborate and make business partners with each other.

The Group actively communicates with its tenants to react quickly to both market changes and any change to our clients' strategies. Its property experts develop relationships with tenants to understand their short-term objectives and how their investment aligns with their global strategy.

The Group has achieved high tenant loyalty as 65 per cent. of the Group's new letting activity in the year ended 31 December 2020 was generated from existing tenants. This allows the Group to grow in the CEE region by serving the tenants' ongoing location needs, either as an extension to an existing property or an entirely new facility in a different market. This allows the Group to work with its existing tenants to facilitate their expansion plans. Based on the tenant's requirements, the Group will agree to either build an extension onto their current facility, propose a different location, or offer a different building solution if a tenant wants to locate a different business process.

Described below are several past examples of the Group's tenant-led development strategy and bespoke solutions for its tenants:

- DB Schenker, a German company specializing in air, land, and sea transportation and transportation logistics, needed to consolidate its diverse operations in Romania into one location, a versatile warehouse situated near the city of Bucharest, on the A1 motorway. To meet the client's demands, the Group designed and built a new location with 24 thousand square meters of GLA, allowed for multiple project changes including mid-construction redesign and assisted the client with complex environmental and safety permitting process. As of 31 December 2020, the WAULT and Yield on Cost of the project were 5.0 years and 10.0 per cent., respectively.

- Ikea, a Swedish multinational conglomerate that designs and sells ready-to-assemble furniture, kitchen appliances and home accessories, and Maersk, a Danish shipping company who handles inbound European transport, among others, for IKEA, needed a warehouse to support their cross continent, cross border and local Romanian operations. They awarded the contract to the Group following a competitive tender due to its development capabilities to build 12 metres clear heights and BREEAM certified assets. The Group secured full building permits in approximately six months. As of 31 December 2020, the WAULT and Yield on Cost of the project were 10.0 years and 11.8 per cent., respectively.

- Brembo, an Italian manufacturer of automotive brake systems and components, especially for high-performance cars and motorcycles, needed a property in the Czech Republic with extra vertical space in order to fit a foundry and foundation for specialised manufacturing equipment in the property. Moreover, Brembo requested an increased space capacity should the business grow. To fulfil the client's requests, the Group was able to accommodate several successive expansions in one location, growing from 26 thousand square meters of GLA in 2011 to a total of 67 thousand square meters of GLA as of 31 December 2020, the WAULT and Yield on Cost of the project were 21.0 years and 13.4 per cent.

- Kompan, a Danish manufacturer of playgrounds, needed a property located in the Czech Republic and had specialised requirements regarding manufacturing of wooden products. In addition, Kompan requested adjacent office to its planned manufacturing space and was looking for a location with transport links to Prague, Vienna and Bratislava. To meet the client's needs, the Group completed the permitting process fully in-house in approximately six months. As a general contractor, the Group built both assets from the start to hand-over in five months and also supplied and installed bespoke fit-out of both assets. As of 31 December 2020, the WAULT and Yield on Cost of the project were 8.0 years and 13.0 per cent.

Property portfolio

This section describes the Group's existing property portfolio. As of 31 December 2020, the Group had a property portfolio with total GAV of EUR 5.9 billion, approximately 84 per cent. adjacent to capital or major cities and with significant development potential. As of the same date, the Group's wholly-owned property portfolio comprised over 400 properties and consisted of four parts: (i) the industrial portfolio, which consists of over 390 properties in 68 industrial parks and 33 other locations in nine countries: Czech Republic, Romania, Hungary, Slovakia, Serbia, Poland, Bulgaria, Germany and Austria, (ii) 14 properties in four city centre office parks located in Brno and Ostrava, the second and third, respectively, largest cities in the Czech Republic, of which one park, Ponávka in Brno, incorporates office, light industrial, residential and retail premises, and (iii) other properties, mainly three Courtyard by Marriott hotels in the Czech Republic and a mix of several older industrial buildings in the Czech Republic and Germany with approximate value of EUR 25 million and size of 44 thousand square metres currently held for sale. In addition, the Group owns land bank for further expansion of its industrial portfolio.

Industrial portfolio

This section describes the Group's industrial portfolio, which is the principal constituent of all its segments other than Hotels.

Overview

The following table provides an overview of the Group's existing portfolio excluding hotels as of and for the year ended 31 December 2020, unless otherwise indicated:

Segment	Number of industrial parks	GLA	Share of total GLA	GAV	Gross Rental Income	Like-for-Like Rental Income Growth	Occupancy Rate	WAULT[(1)]	Market share[(2)]
		(in millions square metres)	*(in (in per cent.)*	*(in EUR thousands)*		*(in per cent.)*	*(in per cent.)*	*(in years)*	*(in per cent.)*
Czech Republic[(3)]	31	2.9[(4)]	52	3,827,778	201,201	1.7	96	6.6	28.6
Romania	15	1.5	27	976,512	55,282	1.3	90	4.9	30.8
Hungary........	5	0.5	9	440,699	28,848	1.0	92	5.4	11.9
Slovakia........	7	0.4	7	387,308	25,361	1.5	98	5.8	14.4
Other[(5)]..........	6	0.3	5	180,672	7,125	1.0	95	11.0	-
Total	**64**	**5.6**		**5,812,969**	**317,817**	**1.6**	**94**	**6.2**	**32.6**[(6)]

Notes:

(1) WAULT on expiry based on 2020 contracts, indefinite contracts on notice period (or break if stated in the contract).

(2) Calculated as a percentage of ownership of industrial stock as of 31 December 2020. Source: Market Report.

(3) In addition to the industrial portfolio, the Group's Czech Republic segment includes also city centre office parks, see "—*City centre office parks*" below.

(4) Does not include the Group's GLA attributable to office space and 390 thousand square metres of Deka Immobilien's portfolio (sold by the Group in 2018) under management of the Group.

(5) Includes countries where the Group has a smaller presence: Serbia (119 thousand square metres), Poland (42 thousand square metres), Germany (39 thousand square metres), Bulgaria (14 thousand square metres) and Austria (2 thousand square metres).

(6) Total of market share in the Czech Republic, Romania, Hungary and Slovakia.

The Group focuses on the development and ownership of large multi-use industrial and logistics business parks in order to address the largest potential tenant base via a flexible offering.

Czech Republic

The Group was originally established in the Czech Republic and developed into the leading logistics player in the Czech Republic with a 28.2 per cent. market share as measured by owned industrial GLA as of 30 September 2020.[74] The Group's portfolio benefits from presence in Prague region and regional markets including Brno, Ostrava and Plzen.

As of 31 December 2020, the Group had 37 parks in the Czech Republic with 3.5 million square metres of GLA, of which 96 per cent. the Group developed internally. Its tenants include Acer, Bridgestone, Raben, Kuehne+Nagel, ThermoFisher, DB Schenker, XPOLogistics, Honeywell, Dachser, ABB and Primark, whereas the five largest tenants generated 13 per cent. of the Czech Republic segment's Gross Rental Income for the year 2020.

The following table provides an overview of selected operational key performance indicators of the Group's existing industrial portfolio in the Czech Republic as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
GLA (*in millions square metres*)(1)	3.5	3.3	3.1
Occupancy Rate (*in per cent.*)	96	95	95
WAULT (*in years*)	6.2	6.4	6.5
Retention Rate (*in per cent.*)	89	81	82
Leasing Activity (*in thousands square metres*)	389	540	3,895

Notes:

(1) Includes the Group's own portfolio and 390 thousand square metres of Deka Immobilien's portfolio (sold by the Group in 2018) under management of the Group.

The following table provides an overview of selected financial key performance indicators of the Group's Czech Republic segment as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
Gross Rental Income (*in EUR millions*)	201.2	185.9	188.3
Adjusted EBITDA (*in EUR millions*)	161.2	151.8	157.4
Like-for-Like Rental Income Growth (*in per cent.*)	1.6	1.5	1.6
GAV (*in EUR millions*)	3,828	3,600	3,167

The following table provides an overview of the Group's key parks in terms of GLA in the Czech Republic as of 31 December 2020, which together comprise 45 per cent. of the Group's GLA in the Czech Republic:

Industrial and Logistics Park	**Inception**	**Location**	**GLA**	**Occupancy Rate**	**Pre-let GLA under development**	**Key Tenants**
			(in thousands square metres)	*(in per cent.)*	*(in thousands of square metres)*	
CTPark Brno	2005	Near Brno's city centre on the D1 motorway between Prague and Ostrava	507	95	Not applicable	Dachser, ABB, Raben, Acer, Honeywell
CTPark Bor	2006	Western Bohemia, 15 kilometres from Germany	417	97	111	XPOLogistics, Loxxess, Primark, Bridgestone

[74] Source: Market Report.

CTPark Ostrava	2006	10 kilometres from Ostrava city centre with direct motorway access to Brno and Poland	377	99	8	ABB, Dachser, Moneta
CTPark Modřice	2002	Nearby existing automotive and high-tech supply chain routes	205	98	Not applicable	Inventec, Gefco
CTPark Pohořelice...	2007	25 kilometres south of Brno on the E462 roadway to Vienna with easy motorway access to Bratislava	115	100	Not applicable	DHL

Romania

The Group is the leading logistics player in Romania with a 29.0 per cent. market share as measured by owned industrial GLA as of 30 September 2020.[75] The Group's portfolio benefits from strong presence in the Bucharest region.

As of 31 December 2020, the Group had 15 parks in Romania with 1.5 million square metres of GLA, of which 51 per cent. the Group developed internally. Its selected tenants include DB Schenker, Maersk, Kuehne+Nagel, Quehenberger Logistics, Yusen Logistics, cargo-partner, Ekol Logistics, KLG Europe, Profi, CEVA, DSV, G. Englmayer, Iron Mountain, Orange, Pepsico, Saint-Gobain, Urgent Cargus and Augsburg International, whereas the five largest tenants generated 32 per cent. of Romania segment's Gross Rental Income for the year 2020.

The following table provides an overview of selected operational key performance indicators of the Group's existing industrial portfolio in Romania as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
GLA (*in millions square metres*)	1.5	1.1	0.9
Occupancy Rate (*in per cent.*)	90	92	91
WAULT (*in years*)	4.9	4.7	4.6
Retention Rate (*in per cent.*)	91	87	96
Leasing Activity (*in thousands square metres*)................	409	199	184

The following table provides an overview of selected financial key performance indicators of the Group's Romania segment as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
Gross Rental Income (*in EUR millions*)...........................	55.3	45.7	38.6
Adjusted EBITDA (*in EUR millions*)..............................	38.8	32.0	23.6
Like-for-Like Rental Income Growth (*in per cent.*)..........	1.3	1.2	0.6
GAV (*in EUR millions*)	977	775	630

[75] Source: Market Report.

The following table provides an overview of the Group's key parks in terms of GLA in Romania as of 31 December 2020, which together comprise 85 per cent. of the Group's GLA in Romania:

Industrial and Logistics Park	**Inception**	**Location**	**GLA**	**Occupancy Rate**	**Pre-let GLA under development**	**Key Tenants**
			(in thousands square metres)	*(in per cent.)*	*(in thousands of square metres)*	
Bucharest West........	2015	Prime location 10 kilometres from city limit of Bucharest and on the A1 motorway	661	89	86	Kuehne+Nagel, Quehenberger Logistics, DSV
Bucharest................	2015	Premium location close to Bucharest and its ring road, also on A1 motorway, in the West of the city	506	84	29	G. Engelmayer, Ceva, Pepsico
Pitești......................	2016	Near the centre of Romania's automotive industry close to Renault factory, but also on the A1 motorway to the West	50	100	Not applicable	Faurecia, Arctic
Arad........................	2015	Located in an important industrial centre and transportation hub on the Western border of Romania with Hungary	46	97	Not applicable	DB Schenker, Gefco
Chitila......................	2017	Located on the belt ring road in the north-west of Bucharest, with great visibility and access destination of pharma clients (50 per cent. of the project is pharma)	38	100	Not applicable	Havi, RTC, Ringler, MSL, Europharm

Hungary

The Group is one of the leading logistics player in Hungary with a 12.1 per cent. market share as measured by owned industrial GLA as of 30 September 2020.[76] The Group's portfolio benefits from the presence in the Budapest region and West Hungary.

As of 31 December 2020, the Group had five parks in Hungary with 0.5 million square metres of GLA, of which 33 per cent. the Group developed internally. Its selected tenants include G. Englmayer Logistics, DHL, Euronics and Aldi, whereas the five largest tenants generated 34 per cent. of Hungary segment's Gross Rental Income for the year 2020.

[76] Source: Market Report.

The following table provides an overview of selected operational key performance indicators of the Group's existing industrial portfolio in Hungary as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
GLA (*in millions square metres*)	0.5	0.4	0.3
Occupancy Rate (*in per cent.*)	92	98	91
WAULT (*in years*)	5.4	5.8	5.0
Retention Rate (*in per cent.*)	100	95	91
Leasing Activity (*in thousands square metres*)	225	239	67

The following table provides an overview of selected financial key performance indicators of the Group's Hungary segment as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
Gross Rental Income (*in EUR millions*)	28.8	24.3	12.2
Adjusted EBITDA (*in EUR millions*)	16.9	11.9	3.4
Like-for-Like Rental Income Growth (*in per cent.*)	1.0	0.4	1.9
GAV (*in EUR millions*)	441	342	250

The following table provides an overview of the Group's key parks in terms of GLA in Hungary a as of 31 December 2020, which together comprise 84 per cent. of the Group's GLA in Hungary:

Industrial and Logistics Park	**Inception**	**Location**	**GLA**	**Occupancy Rate**	**Pre-let GLA under development**	**Key Tenants**
			(in thousands square metres)	*(in per cent.)*	*(in thousands of square metres)*	
Budapest West	2016	Located on the M1 motorway, close to city centre	201	97	10	TNT, DHL, DSV
Budapest East	2015	Located on the busiest transit route to and out of Budapest	104	93	64	DHL, eMag, OrbiCo, Könyvtárellátó
Komárom	2018	Located inside Hungarian-Slovak border with access to M1 motorway	62	58	Not applicable	Cordon Electronics, HTNS, Autoneum
Tatabánya	2015	Located on the busiest transit route between Budapest and Vienna/Bratislava	52	100	Not applicable	Coloplast, Rudolph Logistik Gruppe
Székesfehérvár	2018	Located on M7 motorway, 65 kilometres to the south west of Budapest	26	100	Not applicable	gealan.com, DB Schenker

Slovakia

The Group is one of the leading logistics player in Slovakia with 12.5 per cent. market share as measured by owned industrial GLA as of 30 September 2020.[77] The Group's portfolio benefits from a strategic presence across Slovakia.

[77] Source: Market Report.

As of 31 December 2020, the Group had seven parks in Slovakia with 0.4 million square metres of GLA, of which 37 per cent. the Group developed internally. Its selected tenants include Schnellecke Logistics, Duvenbeck, Adler Pelzer Group, CWS, Antolin, Magna and Hella, whereas the five largest tenants generated 42 per cent. of Slovakia segment's Gross Rental Income for the year 2020.

The following table provides an overview of selected operational key performance indicators of the Group's existing industrial portfolio in Slovakia as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
GLA (*in millions square metres*)	0.4	0.4	0.3
Occupancy Rate (*in per cent.*)	98	96	96
WAULT (*in years*)	6.5	6.2	5.8
Retention Rate (*in per cent.*)	99	75	81
Leasing Activity (*in thousands square metres*)	55	97	74

The following table provides an overview of selected financial key performance indicators of the Group's Slovakia segment as of and for the years ended 31 December 2020, 2019 and 2018:

	As of and for the year ended 31 December		
	2020	**2019**	**2018**
Gross Rental Income (*in EUR millions*)	25.4	20.2	18.6
Adjusted EBITDA (*in EUR millions*)	19.4	15.5	13.9
Like-for-Like Rental Income Growth (*in per cent.*)	1.5	1.5	0.6
GAV (*in EUR millions*)	387	363	262

The following table provides an overview of the Group's key parks in terms of GLA in Slovakia as of 31 December 2020, which together comprise 77 per cent. of the Group's GLA in Slovakia:

Industrial and Logistics Park	**Inception**	**Location**	**GLA**	**Occupancy Rate**	**Pre-let GLA under development**	**Key Tenants**
			(in thousands square metres)	*(in per cent.)*	*(in thousands of square metres)*	
Bratislava	2015	Located in Bratislava's on the E65 highway linking Bratislava to Brno and Prague	117	95	Not applicable	Adler Pelzer Group, Magna, Schnellecke, Antolin
Trnava	2015	Strategically located 5 kilometres from the city centre	102	100	12	Datalogic, Gefco, Faurecia, C&A
Košice	2019	Adjacent to the international airport of the second largest city	58	99	9	Howe, IEE, DPD
Hlohovec	2017	Located close to Bratislava and E58 highway	29	100	Not applicable	Faurecia
Žilina	2016	Located in the centre of main automotive/high-tech cluster	26	100	17	Constellium, Faurecia, Coba

Building types

To meet the requirements of its tenants from various industries, the Group has developed five building types in its industrial and logistics parks ranging in size and functionality to support a broad spectrum of business activities, including manufacturing, distribution, research and development, office and retail operations. The following table provides an overview of the Group's building types:

Building type	Target and illustrative tenant	GLA	Standard height and grid	Floor loading	Description and typical use
		(in square metres)	*(in metres)*	*(in kilograms per square metres)*	
ctBox	High-tech retailers, city logistics: Amtech	500–800	7 15x24, office inbuilt reduced up to 5x6m	500 for office, 4,000 for warehouse and 3,200 for rack support	• Typical use: showroom/retail, office, research and development, warehousing, e-commerce • Description: premium, compact, hybrid
CTFlex.....	Light manufacturers, repair centres, growing business: Edgewell	1,000-8,000	10.5 12x24	5,000 and 3,200 for rack support	• Typical use: high-tech manufacturing, research and development, warehousing, e-commerce • Medium size, flexible, representative
CTSpace ..	Global companies: DSV	≥3,000	12 12x24, office inbuilt reduced up to 6x6	5,000 and 3,200 for rack support	• Typical use: logistics, light manufacturing, (e-) fulfilment, large scale warehousing • Large scale and high-quality
CTFit	Built-to-suit: Honeywell, Thermo Fisher	≥5,000	10.5 12x24m, office inbuilt reduced up to 6x6	500 for office, 4,000 for warehouse and 3,200 for rack support	• Typical use: high-tech manufacturing, logistics, research and development, laboratories • Build-to-suit and state-of-the-art
CTOffice..	Office: Moneta Money Bank	≥195	2.8 Variable, typically 6x6 up to 7.5x7.5	400	• Typical use: office, research and, call centres • Modern and efficient

Largest business parks

As of 31 December 2020, the Group owned the four largest industrial parks in the CEE region, including CTPark Bucharest West and CTPark Bucharest (both Romania), CTPark Brno and CTPark Bor (both Czech Republic).[78] The parks cater to a wide variety of tenants involved in research and development, high-tech manufacturing, computer repair, logistics, and e-commerce serving a wide variety of industries.

The following table provides key information of the Group's ten largest industrial and logistics parks in term of GLA as of 31 December 2020:

Industrial and Logistics Park	Year of construction	Location	GLA	Share of total GLA	GLA under construction	Adjacent land bank
			(in thousands square metres)	*(in per cent.)*	*(in thousands square metres)*	
CTPark Bucharest West	2005	RO	661	11	86	1,232
CTPark Brno	2005	CZ	507	8	-	71
CTPark Bucharest	2015	RO	506	8	64	217

[78] Source: Market Report.

CTPark Bor	2006	CZ	417	7	128	118
CTPark Ostrava......................	2006	CZ	377	6	7	20
CTPark Modřice.....................	2003	CZ	205	3	-	27
CTPark Budapest West	2001	HU	201	3	41	124
CTPark Bratislava	2004	SK	117	2	8	21
CTPark Pohořelice	2007	CZ	115	2	-	-
CTPark Budapest East............	2015	HU	104	2	82	140

- CTPark Bucharest West (Romania) is located on the main A1 connection, the primary corridor from Western to Eastern Europe. As of 31 December 2020, it was the Group's largest park as measured by GLA with 661 thousand square metres. Approximately 2,500 people work in the park and its tenants include mainly logistics and e-commerce operators such as DB Schenker, Maersk, DSV and Kuehne+Nagel. The park is served by local public transport, and CTP is working with the city to develop improved highway access with a new overpass. As of 31 December 2020, the Group had planned development of a further 370 thousand square metres of GLA in this park, of which 95 thousand square metres was planned to be delivered in 2021, 83 thousand square metres in 2022 and 192 thousand square metres in 2023. If completed, the GLA of the park will pass one million square metres, which would make it the largest industrial parks in the CEE measured by GLA.[79] The Group recently finished construction of one of Europe's largest industrial buildings, a logistics facility of over 130 thousand square metres, most of which was recently rented to Maersk, an international shipping company who handles inbound European transport for IKEA from the facility. Plans for 2021 include also a community centre which will house restaurants, cafes and meeting places in addition to doctors' offices and recreation areas outside.

- CTPark Brno (Czech Republic) is a tech and research and development focused park located near Brno, the second largest city in the Czech Republic and the country's innovation hub specializing in industries including biomedicine, engineering, cybersecurity and information technology. The park is located within the city's ringroad which connects it to Vienna, Bratislava, Prague and Ostrava, 15 minutes from the city centre, and 5 minutes from the Brno international airport. The park is in the vicinity of 13 universities and benefits from skilled local workforce. Approximately 8,000 people work in the park and its tenants include Dachser, Inventec, Acer, Wistron, Honeywell ABB, Thermo Fisher Scientific and Raben. The park has garnered many major awards such as Business Property with Greatest Contribution to Research and Innovations or Industrial Park of the year with the Greatest Economic Impact, by the Association of Foreign Investment, Czechia. The park was established in 2005 and grew from 47 thousand metres of GLA to 507 thousand square metre of GLA as of 31 December 2020 to become the Group's largest park in the Czech Republic. As of the same date, the Group has planned development of a further 100 thousand square metres of GLA in this park.

- CTPark Bucharest (Romania) is located only 13 kilometres from Bucharest's city centre and is designed for last mile logistics. More than 1,400 people work in the park and its tenants include Ceva, DSV, Iron Mountain, Pepsico and Orange. The location is at Bucharest's key interchange which provides access to the entire city via the ring road and to nearby suppliers still located in older industrial zones. In 2019, the Group developed unique small-scale logistics unit to cater to the growing need for last mile deliveries and smaller operators. The location provides direct access to the city centre by car or public transport, and a metro station is only a 15-minute ride either by public transport or the CTPark shuttle bus. The park was established in 2015 and grew from 129 thousand metres of GLA to 506 thousand square metres of GLA as of 31 December 2020. As of the same date, the Group had planned development of further 84 thousand square metres of GLA in this park, of which 64 thousand square metres was planned to be delivered in 2021 and 20 thousand square metres in 2022.

- CTPark Bor (Czech Republic) is located only 15 minutes from the Czech-German border and has direct highway connection to key German cities including Munich and Nuremberg. Approximately 3,000 people work in the park employed by its tenants, including DB Schenker, Hellmann, Primark, XPO Logistics, Autoneum, Adient, Bridgestone and Tech Data. The park is a regional logistics hub, and hosts

[79] Source: JLL.

a full spectrum of on-site amenities such as accommodation facilities for workers with 2,400 beds, outdoor exercise and recreation park and landscaped environment. The Group recently refurbished its new 'Clubhaus' community centre concept which is a space for client meeting rooms, restaurant, café, doctor's office and on-site park management. The park, just off the highway exit, is fronted by a gas station with minimarket and is connected to local communities with public transport and CTPark shuttle busses which connect underserved towns as well as nearby Plzen, with its technical universities and student population of over 13 thousand. The park was established in 2010 and grew from 264 thousand metres of GLA to 417 thousand square metre of GLA as of 31 December 2020. As of the same date, the Group had planned development of further 181 thousand square metres of GLA in this park, of which 128 thousand square metres was planned to be delivered in 2021 and 53 thousand square metres in 2022.

- CTPark Ostrava (Czech Republic) is located just 10 kilometres from the city centre of Ostrava, the third largest city in the Czech Republic, and has direct motorway access to Poland as well as Brno, Bratislava and Vienna. The North Moravian region is a historically industrial region with a high population density and a large, cost-effective technically-educated workforce. Approximately 9,000 people work in the park and its tenants include Brembo, Moneta Money Bank, ITT, ABB, Continental, Hyundai Steel among many others. Within just three years after the first phase of the park was launched, the park received the Industrial Park with the Greatest Economic Benefit award in the CzechInvest Business Property of the Year competition. The park was established in 2006 and grew to nearly 380 thousand square metres of GLA as of 31 December 2020 to become one of the Group's largest parks in the Czech Republic. Due to high demand, CTP also launched a second park in the region, CTPark Ostrava Poruba.

- CTPark Modřice (Czech Republic) is located only 5 kilometres from Brno on the roadway to Vienna, nearby to existing automotive and high-tech supply chain routes. Approximately 2,200 people work in the park employed by its tenants, including Inventec, GefCo, Quehenberger, DHL, IMI Norgren and IFE. Tenants in the park represent a diverse range of industries including high tech manufacturing, pharmaceuticals, auto & rail component manufacturers, as well as local and international logistics providers, with footprints ranging from 1,000 square meters to 20,000 square meters. The park was established in 2003 and grew to over 200 thousand square metres of GLA as of 31 December 2020 with an Occupancy Rate of 98 per cent.

- CTPark Budapest West (Hungary) is located just 15 kilometres from the city centre of Budapest and straddles the highway between Budapest and Vienna. Approximately 1,700 people work in the park employed by its tenants, including TNT, DHL, ALDI and DSV. Within just three years after the park was launched, the park received the CIJ Best Land Transaction and Best Warehouse Lease award in the CIJ Awards Hungary. The park was launched by the Group in 2016 and grew to over 200 thousand square metres of GLA as of 31 December 2020 with an Occupancy Rate of 97 per cent. As of the same date, the Group had planned development of further 10 thousand square metres of GLA in this park. In addition, 124 thousand square metres of adjacent additional land bank can be used for further development.

- CTPark Bratislava (Slovakia) is located on the highway linking Bratislava, Brno, Prague and Vienna, only 30 minutes from Bratislava Airport and 15 minutes from the city centre of Bratislava. Approximately 2,500 people work in the park employed by its tenants, including Adler Pelzer Group, Schnellecke, Grupo Antolin, Duvenbeck and CWS among many others. The park was launched by the Group in 2015 and grew from 86 thousand square metres of GLA to 117 thousand square metres of GLA as of 31 December 2020 with an Occupancy Rate of 95 per cent. The park is an ideal location for logistics, distribution and manufacturers in the auto supply chain as it lies directly adjacent to the Volkswagen plant, and is in close proximity to airports, railways and cargo ports.CTPark Pohořelice (Czech Republic) is located 25 kilometres south of Brno on the roadway to Vienna, just 20 minutes to the Austrian border. Approximately 600 people work in the park employed by its primary logistics tenants such as DHL, XPO Logistics, Geis and CSAD. The park was launched by the Group in 2007 and grew to over 115 thousand square metres of GLA as of 31 December 2020 with an Occupancy Rate of 100 per. cent.

- CTPark Budapest East (Hungary) is the Group's second largest development in Hungary and one of three parks around the capital city, just eight kilometres to the south east of the city centre at the intersection of M0 ringroad and the M4 motorway. Budapest International Airport is only a few minutes' drive from the park, which is located on the busiest transit route to and from the capital. CTPark Budapest East was established in 2015 and is the home to a wide variety of clients in retail, logistics, ecommerce, electronics, high tech manufacturing and logistics. Approximately 1,645 people are employed by tenants in the park such as Möbelix, DHL, Euronics, & Lenovo among others. The park is 93 per cent. occupied, and grew from 36 thousand square meters to over 100 thousand square meters today, and has adjacent land bank sufficient to support an additional 60 thousand square meters of future development.

Projects under construction

In addition to its existing industrial portfolio, the Group has a pipeline of projects under construction, including in countries where the Group has only limited presence so far, particularly Poland. As of 1 March 2021, the Group had a development pipeline of 1,019 thousand square metres of GLA under construction for 2021, with a land value of approximately EUR 61.9 million and estimated development capital expenditure of EUR 312 million in 2021 (of which EUR 81 million is discretionary). The Group plans to deliver approximately 300 thousand square metres of GLA in the first half of 2021 and approximately 740 thousand square metres of GLA in the second half of 2021. The Group expect these developments to result in additional EUR 56 million of rental income. There are further planned development projects that are expected to be started and delivered within 2021. In addition, the Company is reviewing potential acquisition targets of income producing portfolios. These development and acquisition activities are part of the Company's strategy of realising a portfolio size of 10 million square meters of GLA by the end of 2023 (see "*Business Overview—Business Plan Outlook*" for more details).

As of 1 March 2021, 62 per cent. of the Group's under construction development pipeline for 2021 was already pre-let. As of 31 December 2020, the Group had EUR 480 million of unutilised committed credit facilities in place to fund its development projects. Their draw down is subject to certain limitations as set out in the conditions.

The following table provides an overview of the Group's properties under construction as of 1 March 2021:

	Properties under construction(1)		
Segment	**Extension of existing properties**	**Construction of new properties**	**Pre-let**
	(in thousands square metres)		*(in per cent.)*
Czech Republic	141	217	65
Romania	75	176	70
Hungary	10	229	63
Slovakia	36	52	51
Serbia	-	83	36
Total	262	757	**62**

Notes:

(1) Properties under construction are projects under development that have not been completed.

The following table provides a geographical split of the Group's planned capital expenditures for projects under construction as of 1 March 2021:

Segment	Planned capital expenditures
	(in EUR million)
Czech Republic	209
Romania	96
Hungary	105
Slovakia	38
Serbia	36
Total	**484**

Land bank

As of 31 December 2020, the Group had 8.8 million square metres of high-quality land bank with approximately 3.5 million square metres of buildable area,[80] representing 5.6 per cent. of the Group's GAV and covering several years of future development. Approximately 90 per cent. of the Group's land bank is zoned, and the Group's policy is to purchase primarily zoned land. Management estimates that it would take six years to build out the existing land bank, with the current pace of the Group's development projects.

As of 31 December 2020, the average value of the Group's land bank was EUR 37 per one square, resulting in a total value of approximately EUR 326 million. As of the same date, the land bank consisted of 75 per cent. land adjacent to the Group's existing sites and 25 per cent. new sites. In addition, the 20 largest sites as measured by GLA represented 32 per cent. of the Group's total land bank. Approximately 90 per cent. of the land within the land bank has suitable planning or zoning classifications for the development of industrial properties on a stand-alone basis or as part of a larger logistics or industrial. Management believes that this provides the Group with significant growth potential.

The Group continually replenished its land bank and spent EUR 41.3 million, EUR 52.4 million and EUR 65.9 million in cash in 2020, 2019 and 2018, respectively, on securing new land.

The following table provides an overview of the composition of the Group's land bank as of 31 December 2020:

Segment	Land adjacent to current parks	New sites	Total	*Of which within the capital city*
		(in thousands of square metres)		
Czech Republic	3,174	647	3,821	*1,082*
Romania	2,147	195	2,342	*1,749*
Hungary	313	64	378	*317*
Slovakia	742	473	1,214	*679*
Other	248	805	1,052	*422*
Total	**6,623**	**2,184**	**8,807**	***4,249***

The following table sets out a geographical split of the Group's land bank by square metres as of 31 December 2020:

Segment	As of 31 December 2020
	(in per cent.)
Czech Republic	43
Romania	27
Hungary	4
Slovakia	14
Other	12

[80] Based on a 43 per cent. buildable area ratio.

Land under option

As of 31 December 2020, in addition to its land bank, the Group had a signed purchase contract or future purchase contract (the "**Option Contracts**") of intent in respect of the purchase of further 3.8 million square metres of land mainly in the CEE region, with a total value of approximately EUR 55 million (approximately EUR 36 per square metre) as of 31 December 2020. Such land under option is zoned out for industrial premises, however without any planning or building permits in place as of the date of this Prospectus. The Group is entitled under the Option Contracts to proceed with all necessary permit proceedings and to acquire the respective land after relevant permits are in place. Under the majority of the Option Contracts, the Group is not obliged to purchase land if a permitting process fails due to relevant reasons. In addition, some sellers require to pay an exclusivity fee, which is around five to ten per cent. of the total price of the land. Management estimates that necessary permitting proceedings will take between six months to three years, depending on the county where the permitting process is being executed.

The following table sets out a geographical split of the Group's land bank under option by square metres as of 31 December 2020:

Segment	**Total land under option**	***Of which within the capital city***
	(in square metres)	
Czech Republic	2,008,275	*158,434*
Romania	838,429	*838,429*
Hungary	256,689	*256,689*
Slovakia	137,192	*137,192*
Other	532,759	*532,759*
Total	**3,773,344**	***1,923,503***

Portfolio growth, occupancy rate and tenant retention

Through a combination of mainly organic growth and own development, but also targeted acquisitions, the Group has grown its industrial portfolio from 1.8 million square metres of GLA in 170 buildings as of 31 December 2011 to 6.3 million square metres of GLA in 442 buildings as of 31 December 2020[81], resulting in a CAGR of 13 per cent. The Group internally developed over 70 per cent. of its current portfolio and almost the entire portfolio excluding acquisitions undertaken to entered and consolidated market position in new markets.

The following table provides an overview of the GLA, occupancy and tenant retention of the Group's industrial portfolio in the period from 2011 to 2020:

	2020	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**
GLA under management[(1)] (*in million square metres*)	6.3	5.5	5.0	4.5	3.8	3.2	2.3	2.2	1.9	1.8
GLA owned (*in million square metres*)	5.9	5.1	4.6	4.5	3.8	3.2	2.3	2.2	1.9	1.8
Occupancy Rate (*in per cent.*)	94	95	95	98	95	95	94	94	93	92
Retention Rate (*in per cent.*)	92	83	86	86	94	93	91	84	71	80
WAULT (*in years*)	6.2	5.4	5.4	5.4	5.4	5.5	5.8	6.1	6.1	5.9

Notes:

(1) Includes the Group's own portfolio and 390 thousand square metres of Deka Immobilien's portfolio (sold by the Group in 2018) under management of the Group.

Since 2015, the Group has enjoyed a positive annual Like-for-Like Rental Income Growth with a CAGR of 2.5 per cent. (3.2 per cent., 3.5 per cent., 2.6 per cent., 1.4 per cent., 2.0 per cent. and 1.5 per cent., respectively, for the period from 2015 to and including 2020).

[81] The figure is for assets under management (including 390 thousand square meters of DEKA portfolio not owned by the Group).

The following table provides an overview of the square metre rental levels per month of the Group's premises in its industrial portfolio properties in the period from 2015 to 2020:

	2020	2019	2018	2017	2016	2015
			(*in EUR per square metre per month*)			
Industrial premises(1)............	3.50-6.00	3.50-6.00	3.55-6.00	3.75-4.50	3.50-6.00	3.00-6.00
Office premises(2).................	7.50-9.50	7.50-9.50	7.50-9.50	7.50-9.50	7.50-9.50	7.50-9.50
Sanitary premises(3)	5.50-9.50	5.50-9.50	5.50-9.50	5.50-9.50	5.50-9.50	5.50-9.50

Source: the Group's annual reports; data as of the end of the reporting period

Notes:
(1) The locations and tenants of the Group's industrial property vary both between and across individual countries, resulting in the provided range of square metre prices instead of an average square metre price.
(2) This refers to premises within the industrial properties used as office space.
(3) This refers to premises within the industrial properties used as sanitary space.

The following table provides an overview of the appraisers' Valuation Yield of the Group's industrial premises and office properties across the countries where the Group operates in the period from 2018 to 2020:

	2020	2019	2018
		(*in per cent.*)	
Industrial premises			
Czech Republic..	5.25 – 9.50	5.50-6.00	5.75-7.00
Romania...	7.40 – 11.00	7.75-9.00	7.00-9.00
Hungary...	6.90 – 8.00	7.00-7.75	7.50-9.50
Slovakia...	6.35 – 7.50	6.35-7.55	6.65-7.85
Other...	5.50 – 8.75	6.50 – 9.00	6.50 – 9.00
Office premises(2)			
Czech Republic..	5.75 – 9.25	6.00-8.50	6.00-8.50
Slovakia...	N/A	6.75	6.75

Source: the Group's annual reports; data as of the end of the reporting period

Notes:
(1) The Valuation Yield for each building is different depending on the country and the location where the building is located, resulting in the provided range for most of the countries.
(2) This refers to premises within the industrial properties used as office space.

Industrial portfolio use and location

The following table shows the tenants' use of the Group's industrial portfolio as of 31 December 2020:

	As of 31 December 2020
	Share of GLA
	(*in per cent.*)
Warehouse/Production..	83
Office..	7
Sanitary/Technical area	6
Other(1)...	4

Notes:
(1) Includes retail premises, parking and service facilities.

As of 31 December 2020, approximately 250 people worked in the Group's business parks. As of the same date, the average age of the Group's industrial portfolio was 9 years.

The following table sets out the breakdown of the Group's Gross Rental Income by building use for the year ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	2019	2018
		(in per cent.)	
Production and warehousing	65	65	67
Third-party logistics and distribution	20	20	17
Office	13	13	14
Other	2	2	2

The following map shows the location of the Group's parks as of 31 December 2020:

The following table shows the size split of the Group's industrial and logistics property parks by square metres as of 31 December 2020:

	As of 31 December 2020
	Share of parks' GLA
	(in per cent.)
Less than 100,000 square metres	40
100,000 to 200,000 square metres	14
More than 200,000 square metres	46

The following table shows the size split of the buildings in the Group's industrial and logistics property buildings by square metres as of 31 December 2020:

	As of 31 December 2020
	Share of buildings' GLA
	(in per cent.)
Less than 10,000 square metres	20
10,000 to 40,000 square metres	60
More than 40,000 square metres	20

Tenants

The Group has a wide and diversified international and domestic tenant base consisting primarily of blue-chip companies, whose operations range from e-commerce through logistics, manufacturing and IT to the automotive industry. The tenants are also diverse in the industries they serve either through warehousing, production or other uses of the facilities. The following table sets out an overview of selected Group tenants and their respective industries:

Selected industries	Selected clients
Logistics	DHL, DSV, DB Schenker, Hellmann, Kuehne+Nagel, Maersk, FedEx, Raben, Lagermax, Gefco, XPO Logistics, CEVA Logistics, LOXXESS, Quehenberger
Automotive	Yanfeng, Bridgestone, Faurecia, Adient, Grupo Antolin, Brembo, Lear Corporation, International Automotive Components
Manufacturing	ABB, Kompan, Honeywell, Zodiac Aerospace, BJS
High-tech	Acer, Lenovo, ThermoFisher Scientific, Smiths Medical, Amtech, Wistron, Tieto, Vitesco Technologies
E-Commerce, Retail, Wholesale & Distribution	Primark, SOMPRODUCT, Tech Data, Rohlik.cz, Phoenix Group, Profi

The Group had more than 1,450 lease agreements in place with a base of over 700 tenants as of 31 December 2020. In the year ended 31 December 2020, the Group's top five, top 10 and top 30 tenants, based on GLA leased, amounted to 8 per cent., 15 per cent. and 30 per cent., respectively, of the total Gross Rental Income received by the Group and as of 31 December 2020, the Group's top 30 tenants, based on GLA leased, occupied 33 per cent. of the Group's GLA.

The following table sets out certain information on the Group's top 20 tenants by amount of rent including service charge paid for the year ended 31 December 2020:

	Gross Rental Income	Share of total Gross Rental Income	Gross area leased	Industry	Number of locations
	(in EUR million)	*(in per cent.)*	*(in thousand square metres)*		
DHL	8.0	2.7	177	Logistics	17
Quehenberger	5.9	2.0	149	Logistics	9
Honeywell	5.9	2.0	70	Technology & Manufacturing	5
DSV	5.3	1.8	124	Logistics	7
Schenker	4.9	1.6	93	Logistics	9
Wistron InfoComm	4.2	1.4	65	Electronics	2
Tieto Czech	4.2	1.4	23	IT	1
Adient	4.0	1.3	49	Automotive	5
Bridgestone	3.8	1.3	72	Logistics/ Automotive	1
Faurencia	3.6	1.2	68	Logistics	6
International Automotive Components	3.5	1.1	51	Logistics/ Automotive	5
Lear Corporation	3.4	1.1	44	Automotive	7
Primark	3.0	1.0	65	Retail	1
Gefco	3.0	1.0	42	Logistics	11
Tech Data Distribution	2.9	1.0	54	Logistics	1
Brembo	2.8	0.9	67	Automotive	3
Kompan Czech Republic	2.8	0.9	42	Production	3

Thermo Fisher Scientific	2.7	0.9	57	Research & Science	2
Raben	2.6	0.9	56	Logistics	7
Yanfeng	2.4	0.8	30	Automotive	3
Total	**78.9**	**26.1**	**1,398**	**N/A**	**N/A**

The following table sets out the breakdown of the industries in which the Group's tenants operate by GLA as of 31 December 2020:

	As of 31 December 2020
	Industry Breakdown by GLA
	(*in per cent.)*
Automotive	24
of which: Interior & Exterior	*48*
Chassis	*17*
Powertrain	*15*
Body	*10*
Electric	*9*
Warehousing & Logistics	51
Manufacturing	19
Other	6

The Group has strong relationships with its tenants, generating new opportunities to grow the Group's business in multiple countries. For example, DHL joined the Group's network in 2006 and grew from 10 thousand square metres of GLA in one Group's park to 177 thousand square metres of GLA in 10 Group's parks as of 31 December 2020. DB Schenker joined the Group's network in 2008 and grew from 12 thousand square metres of GLA in one Group's park to 93 thousand square metres of GLA in seven Group's parks as of 31 December 2020. In addition, DSV joined the Group's existing network in 2015 and grew from 56 thousand square metres of GLA in one Group's park to 124 thousand square metres of GLA in five Group's parks as of 31 December 2020.

Occupancy rates and lease maturity profile

The following table sets out the Occupancy Rate of the Group's industrial portfolio as of the dates indicated:

	As of 31 December		
Country	**2020**	**2019**	**2018**
		(in per cent.)	
Czech Republic	96	95	95
Romania	90	92	91
Hungary	92	98	91
Slovakia	98	96	96
Other	95	95	87
Total	**94**	**95**	**95**

The following table sets out the lease maturity profile of the Group's industrial portfolio as of 31 December 2020:

Country	**2021**	**2022**	**2023**	**2024**	**2025**
			(in thousands square metres)		
Czech Republic	156	203	168	368	253
Romania	85	58	158	164	153
Hungary	34	13	81	92	42
Slovakia	22	20	64	2	72
Other	26	20	16	22	101
Group	**323**	**314**	**487**	**648**	**621**

City centre office parks

The Group's Czech Republic segment includes, in addition to the industrial and logistics business parks, four city centre office parks. These provide premium office space, retail stores, office services, and other amenities.

Three are located in Brno and one in Ostrava, the second and third, respectively, largest cities in the Czech Republic.

The following table provides an overview of these properties as of 31 December 2020:

City Centre Park	Location	Office space	Retail space	Year completed	Occupancy Rate
		(in thousands square metres)	*(in square metres)*		*(in per cent.)*
Spielberk....................................	Brno	32	332	2016	85
Vlněna	Brno	34	99	2019	92
Ponávka	Brno	26	1,952	2018	82
IQ Ostrava	Ostrava	29	726	2014	98

Hotels

The Group's Hotels segment consists of three hotels in the Czech Republic: the Courtyard by Marriott Prague Airport, Courtyard by Marriott Brno and Courtyard by Marriott Pilsen.

The following table provides an overview of these properties as of 31 December 2020:

Hotel	Location	Number of rooms	Conference Facilities	Year completed	Occupancy Rate
					(in per cent.)
Courtyard by Marriott Prague Airport.......................................	Prague	234	7	2007	18
Courtyard by Marriott Brno........	Brno	201	10	2016	19
Courtyard by Marriott Pilsen......	Pilsen	195	4	2008	27

Other assets

In addition to its property portfolio, the Group currently owns, among other things, two airplanes, a Gulfstream G280 (which will be replaced with a Gulfstream G500, to be delivered in 2022) and a Pilatus PC-12. The owner of the planes is CTP Invest, the planes are registered in the Czech Republic and both are pledged in favour of the financing bank. The net book value of the planes is EUR 13,683 thousand and EUR 2,802 thousand, respectively, as of 31 December 2020, and both planes are used by the Group's management primarily for business purposes.

Sustainability and environmental matters

The Group is strongly committed to sustainability and has a number of green initiatives. The main driver of the Group's sustainability efforts is its goal to achieve operational carbon neutrality by the end of 2021. In 2012, the Group became the first company outside the United Kingdom to be awarded the highest level, 'outstanding', by BREEAM for one of its office buildings at Spielberk office park in Brno. The Group has had its buildings regularly certified by BREEAM since 2013 and in January 2021, the Group completed the certification as 'very good' or better of its entire logistics and industrial GLA by BREEAM. The Group plans to re-certify all buildings every three years. According to BREEAM GreenBookLive data as of December 2020, the Group had an 81 per cent. and 86 per cent. share of the green market in the Czech Republic and Romania, respectively, calculated as a percentage of all BREEAM certified buildings Project Type Industrial.

BREEAM (Building Research Establishment Environmental Assessment Method) is a sustainability assessment method for projects, infrastructures and buildings, applicable to new constructions, in-use buildings and refurbishment. Subject of BREEAM is environmental, social and economic sustainability performance of respective assets. The assessment of sustainable value is conducted within prescribed categories, such as energy, health and wellbeing, innovation, land use, materials, management, pollution, transport, waste and water. Each category is comprised of particular assessment issues with its own benchmarks and targets. The final performance of BREEAM certificate rating is calculated as the sum of the weighted category scores. The output from the assessment takes the form of certified rating, reflecting performance of the assets measured against a standard benchmark. The rating scale ranges from Acceptable (only in-use assets) to Pass, Good, Very Good, Excellent and Outstanding.

As of the date of this Prospectus, the Group was in the first phase of analysing its overall carbon footprint. In order to serve as carbon dioxide compensation in reducing its carbon footprint and thus mitigating the negative impacts of climate change, the Group purchased its first 100 hectare forest in 2019 in Mladá Boleslav, the Czech Republic, which will be preserved in its natural state and is managed by expert staff to encourage biodiversity and help the battle against bark beetle infestation. As of 31 December 2020, the Group already planted over one hundred thousand trees within forests it owns in order to renew biodiversity and reduce its carbon footprint. Moreover, the Group is committed to purchasing additional forestland in other countries in which the Group operates. In an effort to become carbon neutral in its operational management by the end of 2021, the Group participates in a reforestation initiative whereby one square metre of land is reforested for every square metre in the Group's property portfolio.

The Group also plans to roll out photovoltaic solar power plants on rooftops of its buildings with a targeted capacity of approximately 250 MWp, with a total potential installed capacity of 700 MWp. As of 31 December 2020, the Group's total installed solar capacity was approximately 6.4 MWp, covering approximately 130,000 square meters of the Group's rooftops. The Group targets to develop 20MWp of electricity capacity in the Czech Republic in 2021 alone. The total Group's capital expenditures for the planned photovoltaic solar power plants is approximately EUR 200 million with a potential increase up to EUR 455 million in case that the total potential installed capacity will be 700 MWp, to be invested in the period of seven years. Moreover, the Group indents to submit an application for governmental subsidies in order to cover a part of its planned capital expenditures. As of the date of this Prospectus, the Group operates eight photovoltaic solar power plants. Since 2010, all of the Group's newly developed buildings are 'solar ready', meaning either that the roofs are built to allow the creation of a photovoltaic solar power plant on each building by incorporating the necessary hook-up technology, or they were built with solar panels already installed. See also "*Risk Factors—The Group is exposed to operational and regulatory risks relating to its photovoltaic solar power plants and to risks inherent to the energy market generally.*" Additionally, the Group has made a commitment to invest profits gained from the resale of green energy produced by photovoltaic solar power plants into environmental improvements. Roll-out of company fleet of electric vehicles is also intended by the Group.

Furthermore, the Group has been installing smart meters in most of its properties combined with a building management system ('BMS') in newer buildings. The implementation of smart data-gathering technologies enables the Group to better analyse and improve the performance and maintenance of the Group's building equipment over time. The Group is pro-actively engaging with tenants through software and personal meetings to lower their energy consumption and helping tenants to reduce their impact on the environment. Starting in 2021, all electricity connection points contracted by the Group will be supplied only using renewable energy.

In addition, the Group has been installing low-energy consumption LED lighting in all its facilities. It piloted circular practices in its city centre business parks, such as a zero waste initiative launched in 2019, comprising of implementation of a zero-waste strategy throughout its office portfolio and elimination of single-use plastics, with the aim to ultimately transfer such best practices to its industrial portfolio as well. Relevant measures have been incorporated in the Group's standards. In 2021, the Group intends to launch a pilot project of smart lighting in exterior areas designed to reduce energy consumption by more than 50 per cent. as compared to conventional lighting sources without any regulation. Furthermore, the Group focuses on water retention and reclamation. Starting in 2021 all new buildings built by the Group will be equipped with a water reclamation system for rain and grey water for use mainly in sprinkler systems and landscape irrigation, as well as waterless urinals to minimalize the consumption of fresh water.

The Group is fully ISO 14001 and ISO 50001 compliant in the Czech and Romanian markets. The Group has been pursuing ISO certifications for environmental and energy management systems for its entire property portfolio and, as of the date of this Prospectus, aims to also finalise the ISO certification in the other markets in which it operates. Apart from ISO certifications, the Group aims to achieve WELL Gold certification for its non-industrial projects.

The Group is also subject to a variety of environmental laws and regulations which generally govern wastewater discharges, air emissions, olfactory discomfort, the operation and removal of underground and above-ground storage tanks, the use, conservation and protection of soil, the use, storage, treatment, transportation and disposal of solid hazardous materials, the remediation of contaminated property associated with the disposal of solid and hazardous materials and other health and safety-related concerns. Some of these laws and regulations may impose joint and several liability on tenants, owners or managers for the costs of investigation or remediation of contaminated properties, regardless of fault or the legality of the original disposal. While the Group encounters environmental issues of an immaterial nature in the ordinary course of its business, the Group is currently not aware of any material environmental liability risk in relation to its property portfolio.

Competition

Demand for industrial properties fluctuates in line with the general economic market conditions as well as with the availability of existing industrial space and supply of new industrial space coming into the market. The Group competes for tenants with multiple owners and developers of industrial properties in each country in which it operates. The Group competes based on a number of factors, including location, rental rates, age, security, the property's design and the professional manner in which the property is operated and marketed. The number of competing properties in a particular market could have a material effect on the Group's occupancy and rental rates, and the overall operating performance of its properties. Management believes that the Group has successfully positioned its assets within its various markets as properties that demonstrate convenience, security and functionality. They also believe that the Group's pan-European reach, reputation and brand, size and visibility provide it with a competitive advantage over regional owners and developers of warehouse facilities. See "*Risk Factors—The Group's financial performance relies on its ability to attract and retain tenants, which may suffer as a result of increased competition from other property owners, operators and developers.*"

Management considers Panattoni Europe, P3, ProLogis, Segro and WDP to be among the Group's key competitors. In addition to the above-mentioned companies, the Group competes with other pan-European asset management companies and investment funds. For a more detailed discussion of the competition in the various regions in which the Group operates, see "*Market Overview*".

Marketing and public relations

The Group's marketing team ensures a unified message and distinct corporate identity and branding across the property portfolio, while providing support, guidance and adequate flexibility for localised messaging within the broader framework. The Group's centrally managed, but locally situated, property management and business development teams further focus their marketing, promoting and advertising on enhancing the value of the Group's property portfolio and the services offered in order to differentiate the Group's offering from its competitors. Marketing, promotion and advertising by the Group are important elements to increasing awareness of the Group's brand in markets in which the Group operates.

The Group's marketing team is located in Prague and coordinates activities across the countries in which the Group operates. Where necessary, third-party service providers, such as design, media and programmers are used to support the Group's marketing team. The business development team is responsible for promoting and advertising the Group's services to existing and potential tenants and tenants with a view to understanding tenant demand, securing new third-party mandates and cross-selling to existing tenants and tenants across the Group. The Group's public relations function, which is managed by the Group's centralised marketing team, is charged with the release of information regarding the Group's property-related activity and successes.

Information systems and technology

The Group relies on a combination of internal and external specialised information systems. Information systems and processes are managed internally, through key designated representatives, in coordination with a professional, third-party IT consultant engaged directly by the Group. The Group's internal IT function and the third-party consultant liaise directly with and manage various external IT suppliers.

The Group uses a variety of enterprise software to support the reporting, budgeting and controlling functions for maintaining and processing the asset management data and for real estate valuation, analysis and investment management solutions. The core systems used for portfolio management, client relationship management and data mining, management reporting and forecasting are supplied by IBM, Microsoft and Reporting.cz. The Group's critical data is currently stored on Group-specific servers split to different streams, hosted at a secured data centre by T-Mobile, or on cloud by various companies including Microsoft and IBM. These hosting companies guarantee routine backup and disaster recovery management. The Group also maintains secondary servers in each country in which it has offices, where lower-priority data is stored, with data back-up processes performed regularly and typically on a daily/weekly basis. Back-up data is stored off-site, in cooperation with the Group's IT service providers. In addition, the Group uses the advanced next generation cybersecurity tools Varonis and Darktrace for data and systems security and insider threat detection.

The Group's information systems are regulated by various internal policies, relating to data and device management, information back-up, IT system security, patch management and disaster recovery.

Insurance

The Group maintains insurance protection in all countries where it is has properties and where it is currently developing and operating its business. The Group carries various types of insurance coverage in amounts it believes are reasonable for the business including property all-risk insurance providing also business interruption coverage and against material damage to its business assets caused by, among other things, fire, explosions, earthquakes, flooding and theft, and directors' and officers' insurance and professional indemnity insurance. In addition, for construction projects, the Group purchases construction all-risk insurance to complement the insurance policies taken out by the particular contractors hired by the Group. Tenants are required to take out their own insurance for their property located in the buildings as well as for potential damages caused by them on the Group's or other tenants' property.

The Company believes that its insurance coverage is adequate and in accordance with customary industry practice in the markets in which the Group operates. Management regularly reviews the adequacy of the insurance coverage. However, no assurance can be given that the Group will not incur any damages that are not covered by its insurance policies or that exceed the coverage limits of such insurance policies.

Intellectual property

As a logistics property company, the Group has not registered and does not own or licence intellectual property rights that would be material to its operations except for the registration of the CTP and related brand names, logos, trademarks and domain names of the Group companies. Intellectual property does not have a material effect on the Group's business or profitability.

Material contracts

Below is a summary of the key contracts of the Group (other than those entered into in the ordinary course of business). For financing agreement, please see "*Operating and Financial Review—Financing arrangements of the Group*".

MDC2 framework agreement

On 28 January 2021, CTP Invest and Antlia Investments sp. z o.o. ("**MDC2**") entered into a framework agreement (the "**Framework Agreement**") regarding future cooperation in sourcing, developing and managing assets in Poland for the Group. The Framework Agreement established mutually exclusive five-year relationship applicable to the territory of Poland with the aim to deliver to the Group at least 1.75 million square meters of warehouse or industrial space by the end of 2025. On the basis of the Framework Agreement, MDC2 should (i) source for the benefit of the Group land and other undeveloped real estate properties in Poland with development potential for construction of warehouses, (ii) provide development management services to the Group in respect of such land and real estate properties (including other land and real estate properties owned by the Group) and (iii) provide property management services in respect of all real estate properties of the Group in Poland. The Group will be the sole owner of the projects and should secure financing thereof. The Group intends to close its own operating office in Poland and cooperate with MDC2 exclusively in Poland. As of the date of this Prospectus, the Group targets to invest approximately EUR 200 million during the first year of the project.

Subject to fulfilment of certain milestones, deadlines and commercialisation criteria, MDC2 may be entitled to an extraordinary fee (on top of market standard development and management fees) derived from value of the developed assets.

DEKA SPA and guarantees

On 25 October 2018, CTP Invest, spol. s r.o. and CTP PROPERTY LUX S.à r.l. as sellers and Deka Immobilien and Westinvest as buyers entered, *inter alia*, into the DEKA SPA relating to CTP Portfolio A Plzen Park, Teplice Park and Prague North Park. Pursuant to its terms, the sellers sold portfolio companies owning three business parks, consisting of 32 buildings in the Czech Republic for a price of EUR 410 million.[82] The Group provided to Deka Immobilien and Westinvest the DEKA Guarantees, which include (i) a rental guarantee regarding vacant premises, rent shortfall and outstanding tenant incentives, (ii) tenant guarantees regarding defaults, break options and non-solicitation, and (iii) a technical guarantee for the repairs of the buildings. The duration of the guarantees is until 15 November 2028, unless terminated earlier pursuant to the agreement (see "*Risk Factors—Risks related to the Group's business and industry generally—Risks related to the Group's financial condition—The Group is exposed to potential claims under the DEKA Guarantees.*"). The Group, through CTP Invest, has also agreed with the buyers to manage the portfolio for 10 years for a service fee ranging between EUR 2 and 3 million for each year.

Legal proceedings

The Group may from time to time be subject to governmental, regulatory and legal or arbitral proceedings and claims. As of 31 December 2020, the Group had no provision for claims and legal costs. There are no, and during the 12 months preceding the date of this Prospectus there have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) that may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

Regulatory environment

Although the Group is not subject to any industry-specific regulation, it is subject to various regulations that apply to the development, ownership and management of real property, including regulations affecting both the construction and operation of industrial properties. The Group and its property portfolio are subject to land use regulations and building codes, as well as health and safety requirements and environmental permit regulations, in each jurisdiction in which it has operations.

Generally, in assessing potential acquisition targets, developing properties and constructing improvements, the Group uses third-party consultants to advise it of any recognised concerns with respect to a property. If any such concerns are identified, development and construction are planned in conformance with applicable regulations.

The Group must manage and operate its property portfolio in compliance with land use regulations, building codes and other requirements, all of which may be periodically adopted or changed. Moreover, some jurisdictions in which the Group operates have specific building regulations or permit requirements that apply to property letting and development companies. It is not always clear, however, to what extent these regulations apply to the Group. The Group draws upon the expertise of its local asset management teams and local external advisers to ensure compliance with these regulations whenever it is deemed that they may apply.

The Group is required to carry trade licenses for designing and construction related services that it provides internally as well as to Deka Immobilien (see "*—Material Contracts—DEKA SPA and guarantees*" for more information).

[82] EUR 392 million including latent capital gain tax.

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis of the Group's financial condition and results of operations for the years ended 31 December 2020, 2019 and 2018 should be read in conjunction with the rest of this Prospectus, including the Financial Statements, the notes thereto and the auditor's report thereon, which are included elsewhere in this Prospectus. Except as otherwise stated, the financial information in this section has been derived from the audited consolidated financial statements of the Company for the extended period from 1 January 2019 to 31 December 2020, which comprise the consolidated statements of financial position as of 31 December 2020 and 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 and the year ended 31 December 2018, and the related notes to the consolidated financial statements. In addition, the Company prepared also an unaudited consolidated statement of financial position as of 31 December 2019 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the periods 1 January 2019 to 31 December 2019 and 1 January to 31 December 2020. Such information is not audited. For a discussion of the presentation of the Group's historical financial information included in this Prospectus, see "Important Information—Presentation of Financial and Other Information".

The following discussion contains forward-looking statements that involve risks and uncertainties. The Group's future results could differ materially from those discussed below. See "Important Information—Forward-Looking Statements". Factors that could cause or contribute to such differences include, without limitation, those discussed in particular in the sections entitled "Risk Factors" and "Business Overview" and elsewhere in this Prospectus.

Overview

The Group is the largest full-service owner-developer of prime industrial and logistics property in the CEE region[83] and management believes it is among the five largest logistics property companies in Europe based on GLA.[84] It primarily operates in the Czech Republic and also in Romania, Hungary and Slovakia. The Group's diversified tenant base uses its mainly class-A[85] properties mainly for warehousing, light production or office space. In addition, the Group is a selective owner-developer of prime city-centre business parks providing premium office space in major cities in the Czech Republic where the Group also owns three hotels. The Group operates a tenant-led, vertically integrated business model whereby it develops its properties on land acquired. After handover to the tenant, the Group remains the long-term owner and provider of property management services, thereby closely aligning the Group's interests with those of its tenants.

The Group focuses on the development and ownership of large multi-use industrial and logistics business parks in order to address the largest potential tenant base via a flexible offering. As of 31 December 2020, the Group had a property portfolio of 6.3[86] million square metres of GLA with an Occupancy Rate of 94 per cent., GAV

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[83] Source: CBRE.

[84] Based on data published by the respective companies as of 30 June 2020. According to PropertyEU, the Group was among the five largest logistics property companies in Europe based on GLA delivered between 2017 and 2019.

[85] The term 'class-A' is used by major commercial real estate agencies and other market participants to describe properties of the highest quality in the market. They are generally built according to stringent construction standards and possess high-quality building infrastructure. Class-A properties are also well located, have good access, and are professionally managed. As a result of this, they typically attract high quality tenants and command higher rents in their market. According to the classification used by the members of the Czech Industrial Research Forum, the most commonly used classification in the Czech Republic, class-A properties must have: (a) good access for trucks to main roads; (b) a clear internal usable height between six and 12 metres; (c) modern loading docks with levellers; (d) one overhead door per unit (exception applies to custom-built premises); (e) anti-dust floor; (f) minimum floor load bearing capacity of 5 tons per square metre; (g) skylights in the roofs that act as smoke vents; (h) minimum lighting power on floor level of 200 lux; (i) heating; (j) insulated facade (sandwich panels); (k) high standard office and social area available; and (l) car and truck parking. Similar classification is used also in other CEE markets where the Group operates including Romania, Hungary, Slovakia, Poland and Serbia. The Group carries out assessment as to whether its properties meet the criteria of 'class-A' in each relevant market. The status of the Group's properties as class-A is also indirectly confirmed by various market studies such as the Market Report which indicate volume of class-A properties in a given market and the Group's properties are included. As of 31 December 2020, the Group considers only a minor part of its portfolio not 'class-A', approximately 120 thousand square metres of GLA, which the Group is currently in the process of selling or redeveloping.

[86] The figure is for assets under management (including 390 thousand square meters of DEKA portfolio not owned by the Group).

of EUR 5.9 billion for the entire owned property portfolio and of EUR 5.1 billion for its income producing assets.[87]

For the year ended 31 December 2020, the Group had Gross Rental Income of EUR 318 million, of which 63 per cent. was generated in the Czech Republic. The Group's profit for the year ended 31 December 2020 attributable to equity holders was EUR 252 million and the Adjusted EBITDA for the same period was EUR 229 million. As of 31 December 2020, the Group had 405 full-time equivalent employees, including associates.

Operating segments

The Group's business is divided into six geographically based segments: (i) Czech Republic; (ii) Romania; (iii) Hungary; (iv) Slovakia; (v) Hotels; and (vi) Other, which mainly includes countries where the Group has a smaller presence: Serbia, Poland, Bulgaria, Germany and Austria.

With the exceptions listed below, each segment primarily consists of the Group's industrial portfolio and land bank located in that country and activities related to such portfolio including property development and property management in the respective country. However, the Czech Republic segment also includes four city centre office parks located in Brno and Ostrava and the Hotels segment includes three Courtyard by Marriott hotels in the Czech Republic only.

Key factors impacting results of operations

The Group believes that the following factors have had, and will continue to have, a material effect on its results of operations and financial condition. As many of these factors are beyond the Group's control and certain of these factors have historically been volatile, past performance will not necessarily be indicative of future performance and it is difficult to predict future performance with any degree of certainty. In addition, important factors that could cause actual operations or financial conditions to differ materially from those expressed or implied below, include, but are not limited to, factors indicated in this Prospectus under "*Risk Factors*."

Rental income is the primary source of revenue for the Group. Rental income is affected by a number of factors and may fluctuate from period to period. The most significant potential drivers of changing rental income are (i) macro-economic developments, as the tenant base from which the Group receives its rental income is a diversified and granular base of internationally operating companies reflecting a broad sample of business activities, (ii) the Group's own development activity, and (iii) acquisitions of the Group. On an operating level, changing occupancy rates as well as contracted rental rates can impact the rental income generated by the portfolio, as can the rental terms achieved at lease inception, rent reviews, indexation, the volume of new lettings on existing or newly completed buildings, lease renewals on buildings that are currently let, and lease surrender premiums. This positive impact may be offset by lease breaks, takebacks and lease incentives.

General market conditions

The Group derives a substantial portion of its rental income from companies in the logistics, e-commerce, automotive, manufacturing, retail and high-tech sectors. Accordingly, the Group's financial condition and results of operations are, to a certain extent, dependent on the condition of the global and European economy generally and in particular on the consumer-products segment of the European economy. Both rental income and the market value for properties are generally affected by overall conditions in the European, national and regional economies, such as growth in GDP, inflation or deflation, investor sentiment, availability and cost of credit, liquidity of financial markets and changes in interest rates. The CEE markets where the Group operates have historically reported favourable macroeconomic trends, particularly in terms of rates of growth, compared to those of Western European economies. The CEE markets are also expected to have a shallower decline and faster rebounds through the COVID-19 pandemic. See "*Market Overview*" and "*Risk Factors—The Group is exposed to economic conditions and other events or circumstances that affect the markets in which the Group operates*".

[87] Investment property excluding land bank.

In addition, the outbreak of the COVID-19 pandemic together with measures aimed at mitigating the further spread of COVID-19, such as restrictions on travel, imposition of quarantines, prolonged closures of workplaces, curfews and other social distancing measures, have had a significant adverse effect on the global economy and international financial markets. See also, "*Risk Factors—The recent global coronavirus pandemic has led to significant volatility in financial and other markets and could harm the Group's business and results of operations*". Whilst management is aware of the abovementioned adverse impacts, COVID-19 has also contributed to, among other things, accelerated e-commerce penetration and reconfiguration of supply and manufacturing chains. The Group's management registers a growing demand for logistics properties and third party logistic providers, as well as for products of some of the Group's tenants. In addition, COVID-19 has an impact on nearshoring of production. Some of these trends were already impacting the market before the COVID-19 pandemic outbreak and have since become more pronounced.

General market conditions may affect the Group's tenants and their willingness and ability to meet their rental obligations and enter into new leases or prolong existing leases. The Group seeks to mitigate the effects of this risk by maintaining a low customer concentration. For the year ended 31 December 2020, the Group's top five, top 10 and top 30 tenants, based on GLA leased, amounted to 8 per cent., 15 per cent. and 30 per cent., respectively, of the total Gross Rental Income.

Development activity

The Group has grown the size of its property portfolio primarily by purchasing land into its land bank and developing new properties on this land. The addition of rental income derived from leases of newly completed properties as well as land acquisition and development costs and potential cost overruns or delays of the development process resulted in material fluctuations in the Company's rental income or operating profit between given periods. See also, "*Risk Factors—The Group is exposed to the risk of cost overruns, delays or other difficulties in relation to its development activities*". The rate at which the Group starts-up and completes new properties also impacts the net valuation result on investment property as both assets under construction and completed assets are stated at their fair value. In the period from 2011 to 2020, the Group has grown its portfolio from 1.8 million square metres to 6.3[88] million square metres of GLA, of which 71 per cent. was self-developed.

The following table sets forth the GLA developed by the Group broken down by segment for the period 2015 to 2020:

	Year ended 31 December					
Segment	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
	(in thousands square meters)					
Czech Republic	183	152	278	126	196	177
Romania	239	67	255	151	64	-
Hungary	71	11	31	59	-	-
Slovakia	49	51	14	14	32	-
Hotel	-	-	-	-	-	-
Other	43	-	39	44	16	-
Total	**585**	**320**	**617**	**394**	**308**	**177**

Going forward, the Group plans to continue to organically grow the size of its property portfolio (see "*Business Overview—Strategy*"). The Group seeks to identify sites for development on strategic locations, such as in good proximity to highways and ring roads, in the vicinity of important towns or production centres, assuring the availability of a workforce for future tenants and focusing on other criteria such as direct connection to existing infrastructure. As of 31 December 2020, the Group owned a land bank of 8.8 million square metres with approximately 3.5 million square metres of buildable area[89] in the CEE region, primarily adjacent to existing parks in the Czech Republic and Romania. As of the same date, the Group had a development pipeline of 1,214 thousand square metres of GLA for 2021 (of which 740 square metres is already under construction) and 1,225

[88] Figure is for assets under management.
[89] Based on a 43 per cent. buildable area ratio.

square metres for 2022 and a committed development capex of EUR 192 million in 2021. As of 31 December 2020, 63 per cent. of the Group's committed development pipeline for 2021 was already pre-let.

Property acquisitions

In the initial phases of the Group's growth, its strategy was focused mainly on organic growth through own development of the properties. Until 2014, the Group undertook only a small number of acquisitions in the Czech Republic, which resulted in an increase of its GLA of approximately 300 thousand square metres. The Group increased its acquisitions of buildings to grow its property portfolio in 2015, when the Group focused on expansion outside of the Czech Republic. The first acquisitions were done in Romania, where the Group quickly gained a substantial market position through the acquisition of industrial parks in Bucharest, today's CTPark Bucharest and CTPark Bucharest West. In 2015, the Group expanded to Slovakia, where it acquired industrial parks and land plots in locations where automotive producers Volkswagen, Kia, Peugeot/Citroen and Jaguar have their production facilities, namely CTPark Bratislava, CTPark Trnava, CTPark Nitra and CTPark Zilina. This geographical expansion continued through acquisitions in Hungary in 2016 and 2017, and in Serbia in 2018. The latest expansion was concluded in 2020 through the acquisition of land plots and a standing industrial building in Bulgaria, resulting in today's CTPark Sofia Airport. All such acquisitions can have a material impact on the Group's results of operations in terms of both income generated from rents of such acquired properties and costs associated with such an acquisition and managing a property portfolio.

Going forward, the Group intends to continue acquiring existing properties, expanding to new countries, and strengthening its market position in countries where it already operates. If undertaken, such acquisitions will be aimed at increasing the size of the Group's property portfolio and rental income. They are likely to also result in increasing the Group's headcount and operational costs. After acquisitions in new markets, the Group may also need to establish of a local experienced team to operate the acquired properties and also continue with land acquisitions and development. See also, "*Risk Factors—The Group's strategy envisions potential additional selective property acquisitions, but the Group may be unable to acquire the properties on acceptable terms, identify all potential liabilities associated with them or complete the acquisition*".

The following table sets forth the GLA the Group acquired in existing properties for the period 2015 to 2020:

	Year ended 31 December					
Segment	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
			(in thousands square meters)			
Czech Republic	13	35	0	40	3	136
Romania	211	75	0	93	0	377
Hungary	49(1)	0	26	60	175	41
Slovakia	0	58	11	23	6	183
Other	43	0	10	0	0	12
Total	**315**	**168**	**47**	**215**	**184**	**749**

Notes:

(1) Includes 3 buildings in CTPark Komarom that the Group had under its management from 2018.

In 2020, the Group acquired two large projects in Romania, which were positioned in existing CTPark Bucharest West, by which the Group strengthened its local position. Furthermore, it acquired three industrial buildings in Komarom, Hungary, which it had under management since 2018. It also completed sale and leaseback projects in the Czech Republic (city of Aš) and Bulgaria (Sofia). The Bulgarian acquisition was the first acquisition of a building in Bulgaria, where CTP also agreed leaseback of the properties with the seller, as well as further expansion.

In 2019, the Group expanded to the Eastern part of Slovakia through the acquisition of Košice industrial park from Erste Group. Additional acquisitions in the Czech Republic and Romania strengthened the Group's local presence.

In 2018, the Group acquired its first building in Serbia, executed a sale and leaseback transaction in Slovakia and continued strengthening its Czech and Hungarian presence.

The acquisitions in 2015-2017 display the entry into new markets of Romania (2015), Slovakia (2015) and Hungary (2016 to 2017).

Occupancy rates

The Group's rental income can fluctuate depending on its ability to maintain high occupancy rates of its property portfolio through prompt execution of leases with new tenants and the renewal of leases with existing tenants. Due to the Group's strategy of concentrating its properties in attractive locations and its standards of properties and services, the average occupancy rate of the Group's properties has been consistently high during the periods under review. However, new leasing activity may be partially offset by tenants exercising their lease break rights (and the associated subsequent capital expenditure required to refurbish the properties).

The following table sets forth the Occupancy Rate of the Group's industrial portfolio as of 31 December 2020, 2019 and 2018:

	As of 31 December		
Country	**2020**	**2019**	**2018**
		(in per cent.)	
Czech Republic	96	95	95
Romania	90	92	91
Hungary	92	98	91
Slovakia	98	96	96
Other(1)	95	95	87
Total	**94**	**95**	**95**

Notes:
(1) Includes countries where the Group has a smaller presence: Serbia, Poland, Bulgaria, Germany and Austria.

The occupancy during the year ended 31 December 2020 remained stable primarily due to strong leasing and construction activity meeting occupier demand. The increase in occupancy during the years ended 31 December 2018 and 31 December 2019 was primarily due to strong leasing activity of vacant spaces and completed construction of mostly fully leased new buildings.

The Group maintains a stable lease maturity profile with WAULT of 6 years as of 31 December 2020 on a rolling basis, carefully managed to mitigate the risk of re-leasing. Tenures of the Group's leases reflect customary terms in the markets in which the Group operates, usually range from five to 15 years, with possible break options.

Contracted rental rates

The Group's rental income is significantly driven by the average rental rates across the Group's industrial portfolio. The Group's industrial portfolio average rental rates vary by region, with higher rates contracted in the Czech Republic and Slovakia, followed by Hungary and Romania. The rental rates are subject to regular reviews.

The following table shows the Group industrial portfolio's contracted average monthly rental rates gross of any discount, broken down by country for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
Country	**2020**	**2019**	**2018**
		(in EUR per square meter per month)	
Czech Republic	5,09	5,00	4.97
Romania	4,08	4,07	4.04
Hungary	4,28	4.10	3.67
Slovakia	4,74	4.66	5.12
Other(1)	5.88	5.22	5.17
Total	**4.75**	**4.69**	**4.68**

Notes:
(1) Includes countries where the Group has a smaller presence: Serbia, Poland, Bulgaria, Germany and Austria.

The contracted rental rates in the period 2018 to 2020 increased in all markets where the Group is active except Poland between the year 2018 and 2019. This increase was due to indexation and especially in the Czech Republic also due to market rental growth.

Cost and availability of funding

Funding costs are the result of the decision to finance certain activities of the Group with external financing, primarily bank loans and publicly listed bonds. The cost of drawn funding depends on the level of debt drawn during a particular period and the interest rate charged on that debt. As of 31 December 2020, the Group's interest-bearing loans and borrowings and bonds issued amounted to a nominal value of EUR 3,416 million (excluding accrued arrangement fees on bank debts, excluding discount applied/bond issuance costs and including interest expense on bonds issued), of which EUR 1,050 million, or 31 per cent., were bonds issued by the Company. The Group's Average Cost of Debt decreased from 2.5 per cent. in 2018 to 2.0 per cent. in 2020. This mainly reflected the Group's refinancing activity during the period mainly through bond issues in an aggregate amount of EUR 1.05 billion issued in 2020 under the Company's EMTN Programme (see "—*Financing arrangements of the Group*" below).

As the majority of the Group's borrowings as well as leases are denominated in EUR, the impact of foreign exchange variances on its assets and liabilities and on its statement of comprehensive income has not been significant. Further details of the Group's approach to managing foreign currency are provided in the section "*—Financial risk management—Foreign currency risk*" below. The income and expenses related to currency swaps are reflected on the IFRS income statement as finance cost and finance income and have no significant impact on these line items.

Portfolio valuation

Property valuation gains and losses impact both the Group's results of operations through the income statement line item 'net valuation result on investment property' (see "*—Description of key income statement line items*" below) and the Group's GAV in respect of investment property, investment property under development and also property, plant and equipment in case of solar plants and hotel portfolio. Property valuation gains and losses result from revaluation of the standing investment property (buildings, land bank) and the valuation of the investment property under development and property, plant and equipment in respect of the valuation of the hotel portfolio and solar plants. As such the property valuation gain and losses include valuation gain and losses due to changes in market circumstances and development of the Group's portfolio. For example, the variation in the Group's net valuation result on investment property for the years ended 31 December 2020, 2019 and 2018, was driven primarily by the development of the Valuation Yield, the amount of new properties added to the Group's portfolio and the amount of investment property under development and acquired assets. In addition, fair market value of acquired properties is influenced by timing in the year and changes in the Group's rent roll. In case of significant changes in the Group's rent roll, this will affect the fair market value also in the year of the respective acquisition. Further significant differences can occur in case the Group acquires distressed assets.

The table below shows details of the Group's net valuation result on investment property for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Income producing portfolio	22,326	203,596	126,990
Acquisitions	25,538	500	9,098
Landbank	10,049	2,164	16,435
Development profit(1)	94,339	205,843	86,857
Net valuation result on investment property	**152,162**	**406,775**	**239,380**

Notes:

(1) The properties included in this line item are not included in the line item "Income Producing Portfolio like-for-like", as that line item compares identical properties for 2018 vs 2019 and 2019 vs 2020.

Value increases in income producing portfolio in both 2018 and 2019 were largely attributable to shifts in yield movements, in combination with increases in Estimated Rental Value applicable on a like-for-like basis. For

2020, both impacts were relatively minor. Value increases on acquired property are typically limited, as acquired properties do not normally benefit from valuation increases within 12 months after acquisition, as per 2018 and 2019. Nonetheless, during 2020 an unusually large amount of EUR 23.4 million was booked as valuation increase following the completion of a distressed asset acquisition in Hungary. The book value of the land bank changes from 2018 to 2020 resulted from the net effect of (i) withdrawals of the land bank to be utilised for property development, compensated by (ii) additions of newly acquired land throughout the year, with a limited effect from like-for-like revaluation. The development profit comprised profit realized (i) upon completion of developed properties (especially 2019), (ii) on properties under development (for all years) and (iii) as a result of movements in valuation yields (especially 2019 and 2018).

The Group's industrial portfolio is measured at fair value and is valued at least once per year. Valuations are performed by independent external valuation agents. The Group ordinarily uses JLL as the Group's valuator with the exception of hotels which are valued by CBRE. The Group has been working with JLL since 2005 and used other valuators only at several occasions. The valuation as of 31 December 2020 included in this Prospectus was carried out by JLL (see "*Important information—Valuation Report*"). As a result, the value of the Group's assets depends on developments in the local real estate market in each of the Group's countries of operations and is subject to change. Gains and losses from changes in fair value are recognised in the Group's income statement as 'net valuation results on investment property' and are also a component of the Group's results of operation. The valuations are prepared in accordance with the RICS Valuation - Professional Standards (incorporating the International Valuation Standards) Global edition January 2020 (same approach as for the previous period end valuations). The valuations of income producing properties are prepared by income approach, discounted cash flow technique, analysed over a 10-year period. The cash flow assumes a ten-year hold period with the exit value calculated on 11th year income. The adopted discount rate and terminal capitalisation rate were based on recent investment sales evidence together with JLL's general knowledge and opinion based on discussions with investors within the EMEA region

Valuations are inherently subjective due to the individual nature of each property and the markets in which such properties are situated. One external valuation agent may reach a different conclusion to the conclusion that would be reached if a different external valuation agent were appraising the same property, and similarly the same external valuation agent may come to a different conclusion at different times. For more details see "*Risk Factors—The valuations performed on the Group's property portfolio represent the analysis and opinion of independent experts and may not be an accurate reflection of their present or future value and the Group's financial statements may be affected by fluctuation in the fair market value of its property portfolio as a result of revaluations*".

The table below contains reconciliation of the Group's external property valuations to as of 31 December 2020:

	Standing portfolio	**Land bank**	**Total investment property**	**Investment property under development**	**Property, plant and equipment (PPE)**
			(*in EUR millions*)		
Valuation per external independent appraisers	**5,057.0[(1)]**	**322.2**	**5,379.2[(1)]**	**335.1**	**55.4[(2)]**
Effect of purchase options	(7.9)	-	(7.9)	-	-
Market value of solar plants	(17.8)	-	(17.8)	-	17.8
Valuation of German portfolio (non-core)	6.4	-	6.4	-	-
Fair market value of leased assets (land hotel Prague)	2.0	-	2.0	-	3.5
Item valued at (acquisition) costs/ NBV	20.6	3.7	24.3	52.2	22.2
Investment property and property, plant and equipment (PPE)	**5,060.3**	**325.9**	**5,386,2**	**387.3**	**98.9**

Notes:
(1) Includes EUR 20.7 million valuation of hotels and commercial parts of hotels performed by CBRE according to RICS standards.
(2) Entire amount valuation of hotels and commercial parts of hotels performed by CBRE according to RICS standards.

Maintenance and repair expenses

Maintenance and repair costs contains various operations providing good working conditions in the Group's properties. The maintenance service consists of, among other things, monitoring the general conditions of the properties and their technical systems, energy efficiency, cleaning and technical care of indoor and outdoor areas. Repair costs relate to smaller renovations that are made in order to keep warehouse facilities in good general condition and attractive for the Group's tenants. Smaller repairs as loading doors repair, levellers and gates are carried out continuously.

The changes in maintenance and repair costs are primarily dependent on the number and condition of the Group's warehouse facilities as well as changes in the unit prices such as heating, water, waste and property electricity. Further, winter season's weather conditions and the amount of snowfall, which can result in a greater need for outdoor area maintenance and repairs, affect the amount of expenses. Maintenance and repair costs arising from the regular and continuous maintenance and repair of the Group's industrial portfolio are recognised in the Group's income statement.

As regards the split of obligations related to maintenance, revision controls and repairs of the leased property, the Group usually secures fulfilment of those obligations at its own costs with respect to structural parts of the properties and carries out major repairs, whereas the rest should be performed by the tenants (unless they opted for the full-service package) at their own costs. The tenants' leases often contain a cap on the expenses to be spent by the tenant on repairs for both each individual repair and all repairs carried out within one year.

The following table sets forth the Group's total maintenance and repair costs and maintenance and repair costs per one square meter for the years ended 31 December 2020, 2019 and 2018:

	For the year ended 31 December		
	2020	**2019**	**2018**
Total maintenance and repair costs (*in EUR millions*)[(1)]....	(22.0)	(23.2)	(15.9)
Maintenance and repair costs per one square meter (*in EUR*)[(1)]...	3.5	4.3	3.3

Notes:

(1) Excludes real estate tax, insurance and utilities. The Deka portfolio (see "*Business Overview—Material Contracts—DEKA SPA and guarantees*") is included.

Changes in legislation and political environment

Legislative changes in the real estate sector in each country in which the Group operates can have a material effect on the Group's operations. For further information regarding the legislation requirements and its effects see "*Market Overview*". These changes could include new or additional requirements relating to construction standards or building permits, which could increase Group's construction costs. In addition, changes in zoning requirements could restrict the supply of available plots for development.

Recent developments and trends

In January 2021, the Group completed the certification as 'very good' or better of its entire logistics and industrial GLA by BREEAM, the world's first standardised method for assessing the sustainability of buildings. The Group also entered into a framework agreement with MDC2 regarding future cooperation in sourcing, developing and managing assets in Poland for the Group, which establishes a mutually exclusive five-year relationship applicable to the territory of Poland with the aim to deliver to the Group at least 1.75 million square meters of warehouse or industrial GLA by the end of 2025 (see "*Business Overview—Material contracts—MDC2 framework agreement*" for more information). In February 2021, the Company issued its third green bond in the amount of EUR 500 million under its EMTN Programme. The Group also continued to organically grow the size of its property portfolio and as of 31 December 2020 had a committed development pipeline for 2021 of 740 thousand square metres. Management currently expects that the Group will achieve more than 7.5 million square metres of GLA under management by end of 2021 See "*Business Overview—Business Plan Outlook*". As a result, the Group expects rental income to slightly increase as compared to the last quarter of 2020.

Management believes that the COVID-19 pandemic has not impacted the industrial and logistics real estate in the CEE region as severely as other industries or the office, hotel or residential real estate segments. The Group has even seen increased demand from e-commerce and logistic companies who needed to extend their space to supply households. Some real estate investors have also turned their focus from the office and hotel segments to industrial and logistics real estate. This demand might have a positive impact on the valuation of the industrial projects. Moreover, the Group has recorded high Rental Collection rates during the COVID-19 pandemic (see further below), irrespective of the tenants' industry or sector, due to, among other things, the multichannel supply strategy of some of its tenants, who manage their internal logistics to cater for business-to-business customers as well as retail customers.

In addition, management believes that the trends of increasing e-commerce, demand from third-party logistics providers, recalibration of production values chains with an increase in focus on resilience and not just efficiency and toward nearshoring of production and revamping production value chains, all of which have been supported by the COVID-19 pandemic, may lead to a further increase in demand for logistics space and positively affect the prospects of the Group, particularly amount of industrial space developed or acquired as well as the level of Leasing Activity. Management believes that these trends may help the Group to achieve its goal to grow the size of its property portfolio in its current markets to achieve more than 7.5 million square metres of GLA under management by end of 2021 and 10 million square metres of GLA under management by 2023 (see "*Business Overview—Business Plan Outlook*"). However, the COVID-19 pandemic together with measures aimed at mitigating the further spread of COVID-19, such as restrictions on travel, imposition of quarantines, prolonged closures of workplaces, curfews and other social distancing measures, have had a significant adverse effect on the global economy and international financial markets and may negatively impact future macro-economic conditions and economic activity in general. This could negatively impact the financial condition of the Group's diversified tenant base, irrespective of industry or sector, as well as rental and sale prices and overall demand for commercial real estate, as well as the Group's condition in general. See "*Market Overview*" and "*Risk Factors—The recent global coronavirus pandemic has led to significant volatility in financial and other markets and could harm the Group's business and results of operations*" for more information.

Up to the date of this Prospectus, the Group has not experienced any significant delays or variations in Rental Collection and Occupancy Rates from its property portfolio. Rental Collection levels in January and February 2021 remained similar to those in 2020 and 2019 (above 98 per cent.) and in line with historically negligible bad debt ratios. As of 28 February 2021, the Group has not experienced any material change in Occupancy Rate as compared to 94 per cent. and 95 per cent. as of 31 December 2020 and 2019, respectively. Up to the date of this Prospectus, the Group's construction and development projects have not experienced any major disruptions due to COVID-19.

The Group's financing partners have continued to provide the Group with project finance as the Group has development funding secured for effectively all of its planned projects in 2021. This amounts to: (i) approximately EUR 243 million in development funding for the Czech Republic by way of secured bank financing under the Czech Portfolio Facilities Agreement, (ii) approximately EUR 6 million in Slovakia with one of the Group's relationship banks, (iii) EUR 75 million in Hungary from two relationship banks and (iv) approximately EUR 13 million in Romania from one other relationship bank of the Group. The remaining funding needs for development activities in 2021 come from existing cash balances totalling EUR 419 million per 31 December 2020.

Key performance indicators

The management of the Group uses certain performance indicators to analyse the Group's business and financial performance between periods and to track the Group's progress and which help develop long-term strategic. The table below sets forth the Group's performance with respect to selected performance indicators for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
GLA under management[(1)] (*in million square metres*)	6.3	5.5	5.0
GLA owned (*in million square metres*)	5.9	5.1	4.6

Occupancy Rate[(1)] (*in per cent.*)	94	95	95
Number of parks[(1)]	70	61	57
WAULT (*in years*)	6.0	5.4	5.4
Retention Rate (*in per cent.*)	92	83	86
Leasing Activity (*in thousands square metres*)	1,175	1,143	727
EBITDA[(2)] (*in EUR thousands*)	368,062	566,913	485,013
Adjusted EBITDA[(2)] (*in EUR thousands*)	228,622	214,519	206,896
EPRA Earnings [(2)] (*in EUR thousands*)	155,395	106,138	134,793
EPRA Earnings per Shares [(2)] (*in EUR*)	0.46	0.32	0.40
Company specific Adjusted Earnings [(2)] (*in EUR thousands*)	148,967	126,590	108,916
Company specific Adjusted Earnings per Shares [(2)] (*in EUR*)	0.44	0.38	0.32
Like-for-Like Rental Income Growth (*in per cent.*)	1.5	1.4	1.5
GAV (*in EUR thousands*)	5,872,461	5,279,175	4,459,088
EPRA NTA [(2)] (*in EUR thousands*)	2,794,979	2,544,829	1,366,630
Gross Yield [(2)] (*in per cent.*)	5.4	5.5	6.0
EPRA Net Initial Yield [(2)] (*in per cent.*)	5.8	6.0	6.1
EPRA Topped-up Net Initial Yield [(2)] (*in per cent.*)	6.2	6.4	6.6
Valuation Yield [(2)] (*in per cent.*)	6.0	6.1	6.3
Yield on Cost [(2)] (*in per cent.*)	11.6	13.5	10.8
Average Cost of Debt [(2)] (*in per cent.*)	2.0	2.1	2.5
ICR [(2)] (*ratio.*)	3.8	4.2	4.0
Net LTV[(2)] (*in per cent.*)	50.7	49.5[(3)]	46.7

Notes:

(1) Includes (i) the Group's own portfolio and 390 thousand square metres of Deka Immobilien's portfolio (sold by the Group in 2018) under management of the Group and (ii) two office parks of the Group in the Czech Republic, Spielberk and Vlněna.

(2) For a reconciliation of these non-IFRS measures, please see "*Important Information—Presentation of Financial and Other Information—Alternative performance measures*"

(3) Due to the restructuring of CTP Group and in connection with Remon Vos acquiring ownership interests in the Group from the estate of his late partner the Group declared in 2018 exceptional dividends totalling EUR 761 million of which EUR 196 million was paid out in cash.

See "*Important Information—Presentation of Financial and Other Information*" for information as to how these measures have been defined and calculated.

Consolidated statement of income data

The table below sets forth the Group's results of operations for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Rental income	291,935	257,986	241,960
Service charge income	25,882	22,379	19,990
Property operating expenses	(37,148)	(40,575)	(29,799)
Net rental income	280,669	239,790	232,151
Hotel operating revenue	5,752	17,312	16,805
Hotel operating expenses	(5,897)	(11,545)	(10,681)
Net operating income from hotel operations	(145)	5,767	6,124
Income from development activities	49,411	4,483	1,429
Expenses from development activities	(26,984)	(3,927)	(1,343)
Net income from development activities	22,427	556	86
Total revenues	**372,980**	**302,160**	**280,184**
Total attributable external expenses	**(70,029)**	**(56,047)**	**(41,823)**
Net valuation result on investment property	152,162	406,775	239,380
Other income	4,010	9,094	49,693

Depreciation and amortisation	(10,462)	(9,753)	(5,838)
Employee benefits	(22,969)	(17,172)	(14,848)
Impairment of financial assets	(685)	(9)	(110)
Other expenses	(33,121)	(17,149)	(24,235)
Net other income/expenses	**(63,227)**	**(34,989)**	**4,662**
Profit/Loss before finance costs	**391,886**	**617,899**	**482,403**
Interest income	953	582	1,953
Interest expense	(68,534)	(57,019)	(55,558)
Other financial expenses	(11,501)	(15,944)	(7,981)
Other financial gains/losses	(22,379)	(44,809)	1,361
Net finance costs	**(101,461)**	**(117,190)**	**(60,225)**
Profit/Loss before income tax	**290,425**	**500,709**	**422,178**
Income tax expense	(37,901)	(108,548)	(60,670)
Profit for the period	**252,524**	**392,161**	**361,508**
Revaluation of PPE net of tax	(7,347)	4,025	4,397
Foreign currency translation differences net of tax	8,473	1,692	538
Total other comprehensive income	**1,126**	**5,717**	**4,935**
Total comprehensive income for the year	**253,650**	**397,878**	**366,443**
Profit attributable to non-controlling interests	406	(14)	(3,392)
Profit attributable to equity holders of the Company	**252,118**	**392,175**	**364,900**
Total comprehensive income attributable to non-controlling interest	406	(14)	(3,392)
Total comprehensive income attributable to equity holders of the Company	**253,244**	**397,892**	**369,835**

Description of key income statement line items

Set forth below is a brief description of the composition of certain line items of the consolidated statement of income. This description must be read in conjunction with the significant accounting policies elsewhere in this section and in Note 4 to the Financial Statements.

Rental income: represents income from lease of premises to tenants recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Service charge income: represents income from services other than lease of premises provided to the tenants as an integral, but separately identifiable, part of lease contracts. This includes services provided to tenants in respect of maintenance of the parks and buildings such as regular revisions of technologies, greenery, cleaning, snow removal or security. The scope of services is subject to agreement with individual tenants.

Property operating expenses: represent the net costs of running and maintaining the building, including insurance premiums, utilities, property taxes, repair costs.

Income from development activities: represents revenues from customer specific fit-outs of rented facilities, development of above standard tenant improvements (improvements upon request of the tenant or future tenant above the Group's standard) ("**ASTI**") are presented separately in statement of comprehensive income. Income from development activities includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably.

Expenses from development activities: represents construction cost related to customer specific fit-outs of rented facilities**.**

Net valuation result on investment property: represents valuation gains and losses recognised from revaluation of investment property to fair value.

Other income: represents net gain from sold assets, income from sale of electricity, income from insurance claims, easements and other operating income.

Other expenses: represents energy and material consumption of property used by the Group, legal and advisory fees, fees for real estate consultants and brokers, advertising expenses, advertising and promotion expenses, taxes and charges and other operating expenses.

Interest expense: represents interest expense from loans and borrowings provided by financing institutes or related parties, interest from bonds issued, interest from derivatives.

Other financial expenses: represents bank fees and charges and fees and charges related to issuing of bonds.

Other financial gains/losses: represents the gain/loss from the change in fair value of derivatives, foreign currency gains/losses and other financial gains/losses.

Income tax expense: represents current and deferred income tax expense for the respective period. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or other comprehensive income.

Results of operations

The following sections provide a period-by-period comparison of the Group's historical income statement data. The financial data has been derived from the Financial Statements, and should be read in conjunction with and is qualified in its entirety by reference to the Financial Statements, including the notes thereto, and the information under "*Important information—Presentation of financial and other information*" and "*Business Overview*", each of which is included elsewhere in this Prospectus.

Year ended 31 December 2020 compared to year ended 31 December 2019

The following table sets forth a summary of the Group's income statement for the years ended 31 December 2020 and 2019:

	Year ended 31 December		**Change**
	2020	**2019**	**%**
	(in EUR thousands)		
Rental income	291,935	257,986	13%
Service charge income	25,882	22,379	16%
Property operating expenses	(37,148)	(40,575)	(8)%
Net rental income	280,669	239,790	17%
Hotel operating revenue	5,752	17,312	(67%)
Hotel operating expenses	(5,897)	(11,545)	(49%)
Net operating income from hotel operations	(145)	5,767	(103)%
Income from development activities	49,411	4,483	1,002%
Expenses from development activities	(26,984)	(3,927)	587%
Net income from development activities	22,427	556	3,934%
Total revenues	**372,980**	**302,160**	**23%**
Total attributable external expenses	**(70,029)**	**(56,047)**	**25%**
Net valuation result on investment property	152,162	406,775	(63)%
Other income	4,010	9,094	(56)%
Depreciation and amortisation	(10,462)	(9,753)	7%
Employee benefits	(22,969)	(17,172)	34%
Impairment of financial assets	(685)	(9)	7,511%
Other expenses	(33,121)	(17,149)	93%
Net other income/expenses	**(63,227)**	**(34,989)**	**81%**
Profit/Loss before finance costs	**391,886**	**617,899**	**(37)%**
Interest income	953	582	64%
Interest expense	(68,534)	(57,019)	20%

	Year ended 31 December		Change
	2020	2019	%
	(in EUR thousands)		
Other financial expenses	(11,501)	(15,944)	(28)%
Other financial gains/losses	(22,379)	(44,809)	(50)%
Net finance costs	**(101,461)**	**(117,190)**	**(13)%**
Profit/Loss before income tax	**290,425**	**500,709**	**(42)%**
Income tax expense	(37,901)	(108,548)	(64)%
Profit for the period	**252,524**	**392,161**	**(36)%**
Revaluation of PPE net of tax	(7,347)	4,025	(283)%
Foreign currency translation differences net of tax	8,473	1,692	401%
Total other comprehensive income	**1,126**	**5,717**	**(80)%**
Total comprehensive income for the year	**253,650**	**397,878**	**(36)%**
Profit attributable to non-controlling interests	406	(14)	3,000%
Profit attributable to equity holders of the Company	**252,118**	**392,175**	**(36)%**
Total comprehensive income attributable to non-controlling interest	406	(14)	3,000%
Total comprehensive income attributable to equity holders of the Company	**253,244**	**397,892**	**(36)%**

Rental income

The following table sets out a breakdown of the Group's rental income for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	2019
	(in EUR thousands)	
Industrial	240,905	216,404
Office	31,061	26,202
Retail	825	1,017
Other	19,144	14,363
Rental income	**291,935**	**257,986**

Rental income increased by 13 per cent. to EUR 291,935 thousand for the year ended 31 December 2020 as compared to EUR 257,986 thousand for the year ended 31 December 2019. This increase was primarily due to the rental income generated from the properties completed in the previous calendar year and reflects the underlying growth of the Group's total GLA. Rental income increased by 8 per cent. in the Czech Republic and 20 per cent. in Romania, both due to the relative underlying growth of the Group's GLA, of which 6 per cent. was in the Czech Republic and 36 per cent. was in Romania, and the Like-for-Like Rental Income Growth of approximately 1.5 per cent. caused by contractual indexation in the Group's lease contracts.

Service charge income

Service charge income increased by 16 per cent. to EUR 25,882 thousand for the year ended 31 December 2020 as compared to EUR 22,379 thousand for the year ended 31 December 2019. This increase was primarily due to the underlying growth of aggregate lettable area. Service charge income increased by 12 per cent. in the Czech Republic and 25 per cent. in Romania, primarily due to the Group's portfolio growth in the respective countries.

Property operating expenses

The following table sets out a breakdown of the Group's property operating expenses for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	2019
	(in EUR thousands)	
Maintenance and repairs	(22,030)	(23,159)
Park management expenses	(7,664)	(9,706)
Real estate tax	(5,337)	(5,448)
Insurance	(1,693)	(1,681)
Other	(424)	(581)
Property operating expenses	**(37,148)**	**(40,575)**

Property operating expenses decreased by 8 per cent. to EUR 37,148 thousand for the year ended 31 December 2020 as compared to EUR 40,575 thousand for the year ended 31 December 2019. This decrease was primarily due to a decrease of maintenance and repairs expenses, as the Group accelerated its maintenance and repair planning, resulting in increased costs in 2019 compared to 2020.

In addition, the Group optimised its process for tendering park management services to subcontractors, which resulted in lower expenses. The optimisation of the cost structure resulted in a decrease of 14 per cent. of property operating expenses in the Czech Republic and 16 per cent. in Romania, which positively affected the maintenance and repairs and park management expenses.

Net income from development activities

Net income from development activities increased by 3,934 per cent. to EUR 22,427 thousand for the year ended 31 December 2020 as compared to EUR 556 thousand for the year ended 31 December 2019. This increase was primarily due to the development of a turn-key project for Canpack, a can producer for the beverage industry, for which the Group built production premises in Stříbro, Czech Republic.

Net valuation result on investment property

Net valuation result on investment property decreased by 63 per cent. to EUR 152,162 thousand for the year ended 31 December 2020 as compared to EUR 406,775 thousand for the year ended 31 December 2019. The 2019 valuation gain included a significant valuation gain on the standing portfolio like-for-like in the amount of EUR 204 million which reflected the yield compression evidenced on the market. In contrast, in 2020, the like-for-like valuation gain was only EUR 22 million due to the lack of evidence of comparable transactions on the market which appraisers use as a benchmark. The effect of valuation gains on the Group's existing investment property was limited as the average discount rate on the Group's existing investment portfolio for the year 2020 was comparable to 2019: 6.89 per cent. as compared to 6.95 per cent., respectively, and the expected rental value was the same range in both 2020 and 2019, namely from EUR 2.75 to EU 5.50.

Other income

The following table sets out a breakdown of the Group's other income for the years ended 31 December 2020 and 2019.

	Year ended 31 December	
	2020	2019
	(in EUR thousands)	
Gains from sale of assets	--	5,842
Income from sale of electricity	3,326	3,251
Other income	684	1
Other income	**4,010**	**9,094**

Other income decreased by 56 per cent. to EUR 4,010 thousand for the year ended 31 December 2020 as compared to EUR 9,094 thousand for the year ended 31 December 2019. This decrease was primarily due to lower profit from sale of assets as the Group sold only two non-core assets at a loss of EUR 933 thousand in 2020 as compared to a sale of three non-core buildings at a substantial gain in 2019.

Other expenses

Other expenses increased by 93 per cent. to EUR 33,121 thousand for the year ended 31 December 2020 as compared to EUR 17,149 thousand for the year ended 31 December 2019. This increase was primarily due to increase of costs and expenses related to Restructuring (see "*Important Information—Presentation of Financial and Other Information*") and establishment of the Company's EMTN Programme (see "*—Financing arrangements of the Group*" below) in September 2020 and issuance of two bond issues thereunder in the total amount of EUR 1.05 billion, consisting of legal, tax and audit advisory expenses and property valuations costs. Further impairment losses incurred on non-financial assets were mainly affected by operating disruptions within hotel portfolio caused by the COVID-19 pandemic and by sale of two non-core assets.

Interest income

Interest income increased by 64 per cent. to EUR 953 thousand for the year ended 31 December 2020 as compared to EUR 582 thousand for the year ended 31 December 2019. This increase was primarily due to the increase of loans and borrowings provided to related parties.

Interest expense

Interest expense increased by 20 per cent. to EUR 68,534 thousand for the year ended 31 December 2020 as compared to EUR 57,019 thousand for the year ended 31 December 2019. This increase was primarily due to expenses related to financial derivatives related to developments in the financial markets and issuance of two bonds in the total amount of EUR 1.05 billion under the Company's EMTN Programme (see "*—Financing arrangements of the Group*" below). This increase was partially set-off by a decrease of loans and borrowings provided by financial institutions. The overall amount of interest expense directly relates to the fact that the Group financed the development of its property portfolio solely through bank financing and from 2020 also from bonds which resulted in its historical Net LTV (also for the period prior to the period covered by the Financial Statements) to be above 50 per cent. The relatively higher Net LTV correlates to the business model of the Group whereby the Company's equity was historically reinvested into the growth of its portfolio and the growth has been primarily financed by external financing, as it had limited means from retained profits.

Other financial expenses

Other financial expenses decreased by 28 per cent. to EUR 11,501 thousand for the year ended 31 December 2020 as compared to EUR 15,944 thousand for the year ended 31 December 2019. This decrease was primarily due to a decrease of financing fees paid in 2020. In 2019, the Group secured the refinancing of the Czech industrial portfolio by syndicate loan facility and prepayment fee of EUR 8,569 thousand had been paid to the financing banks in order to refinance the Czech industrial portfolio.

Other financial gains/losses

Other financial gains/losses decreased by 50 per cent. to a loss of EUR 22,379 thousand for the year ended 31 December 2020 as compared to a loss of EUR 44,809 thousand for the year ended 31 December 2019. This decrease was primarily due to the foreign currency gain, deterioration of change in fair market value and associated close out costs of derivatives. As of 31 December 2020, the nominal amount of interest rate swaps hedged was EUR 1,648,904 thousand which represented 69.7 per cent. of the outstanding bank loans and borrowings. The nominal amount of interest swaps as of 31 December 2019 was EUR 2,168,504 thousand which represented 80.5 per cent. of the outstanding bank loans and borrowings. For more information on the Group's derivative position, please see Note 30 to the Financial Statements.

Income tax expense

Income tax expense decreased by 65 per cent. to EUR 37,901 thousand for the year ended 31 December 2020 as compared to EUR 108,548 thousand for the year ended 31 December 2019. This decrease was primarily due to a decrease of deferred tax expense resulting from lower revaluations of investment property as well as the impact of the deferred tax assets out of the recognition in 2020 of the deferred tax receivable from tax losses.

Year ended 31 December 2019 compared to year ended 31 December 2018

The following table sets forth a summary of the Group's income statement for the years ended 31 December 2019 and 2018:

	Year ended 31 December		**Change**
	2019	**2018**	**%**
	(in EUR thousands)		
Rental income	257,986	241,960	7%
Service charge income	22,379	19,990	12%
Property operating expenses	(40,575)	(29,799)	36%
Net rental income	239,790	232,151	3%
Hotel operating revenue	17,312	16,805	3%
Hotel operating expenses	(11,545)	(10,681)	8%
Net operating income from hotel operations	5,767	6,124	(6)%
Income from development activities	4,483	1,429	214%
Expenses from development activities	(3,927)	(1,343)	192%
Net income from development activities	556	86	547%
Total revenues	**302,160**	**280,184**	**8%**
Total attributable external expenses	**(56,047)**	**(41,823)**	**34%**
Net valuation result on investment property	406,775	239,380	70%
Other income	9,094	49,693	(82)%
Depreciation and amortisation	(9,753)	(5,838)	67%
Employee benefits	(17,172)	(14,848)	16%
Impairment of financial assets	(9)	(110)	(92)%
Other expenses	(17,149)	(24,235)	(29)%
Net other income/expenses	**(34,989)**	**4,662**	**(851)%**
Profit/Loss before finance costs	**617,899**	**482,403**	**28%**
Interest income	582	1,953	(70)%
Interest expense	(57,019)	(55,558)	3%
Other financial expenses	(15,944)	(7,981)	100%
Other financial gains / losses	(44,809)	1,361	(3392)%
Net finance costs	**(117,190)**	**(60,225)**	**95%**
Profit/Loss before income tax	**500,709**	**422,178**	**19%**
Income tax expense	(108,548)	(60,670)	79%
Profit for the period	**392,161**	**361,508**	**8%**
Revaluation of PPE net of tax	4,025	4,397	(8)%
Foreign currency translation differences net of tax	1,692	538	214%
Total other comprehensive income	**5,717**	**4,935**	**16%**
Total comprehensive income for the year	**397,878**	**366,443**	**8%**
Profit attributable to non-controlling interests	(14)	(3,392)	100%
Profit attributable to equity holders of the Company	**392,175**	**364,900**	**7%**
Total comprehensive income attributable to non-controlling interest	(14)	(3,392)	100%
Total comprehensive income attributable to equity holders of the Company	**397,892**	**369,835**	**8%**

Rental income

The following table sets out a breakdown of the Group's rental income for the years ended 31 December 2019 and 2018:

	Year ended 31 December	
	2019	2018
	(in EUR thousands)	
Industrial	216,404	203,441
Office	26,202	26,674
Retail	1,017	786
Other	14,363	11,059
Rental income	**257,986**	**241,960**

Rental income increased by 7 per cent. to EUR 257,986 thousand for the year ended 31 December 2019 as compared to EUR 241,960 thousand for the year ended 31 December 2018. This increase was primarily due to addition of income generating assets to the Group's property portfolio, particularly in Romania where the Group increased its GLA from 0.9 million as of 31 December 2018 to 1.1 million as of 31 December 2019, and high Occupancy Rate of 95 per cent. across of the Group's portfolio. This increase was partially offset by the sale of several properties to Deka Immobilien in November 2018 (see "*Business Overview—Material Contracts—DEKA SPA and guarantees*"), which resulted in a decrease of rental income of about EUR 18,200 thousand in the year ended 31 December 2019 and overall decrease of the Group's rental income in the Czech Republic. Rental income decreased by 2 per cent. in the Czech Republic due to the sale of several properties to Deka Immobilien in November 2018, representing 10 per cent. of the Group's 2018 rental income (see "*Business Overview—Material Contracts—DEKA SPA and guarantees*" for more information) and was partly offset by the growth of the Group's rental income from GLA increase of 8 per cent. Rental income in Romania increased by 19 per cent. due to the underlying growth of GLA by 22 per cent. during 2019.

Service charge income

Service charge income increased by 12 per cent. to EUR 22,379 thousand for the year ended 31 December 2019 as compared to EUR 19,990 thousand for the year ended 31 December 2018. This increase was primarily due to addition of income generating assets to the Group's property portfolio and corresponding increase of service charge income. As the properties sold to Deka Immobilien in November 2018 (see "*Business Overview—Material Contracts—DEKA SPA and guarantees*") remained under management of the Group, the sale did not result in decrease of the Group's service charge income. During 2019, service charge income increased by 8 per cent, in the Czech Republic, as well as in Romania, compared to 2018, both in line with the Group's underlying portfolio growth.

Property operating expenses

The following table sets out a breakdown of the Group's property operating expenses for the years ended 31 December 2019 and 2018:

	Year ended 31 December	
	2019	2018
	(in EUR thousands)	
Maintenance and repairs	(23,159)	(15,940)
Park management expenses	(9,706)	(7,590)
Real estate tax	(5,448)	(4,310)
Insurance	(1,681)	(1,112)
Other	(581)	(847)
Property operating expenses	**(40,575)**	**(29,799)**

Property operating expenses increased by 36 per cent. to EUR 40,575 thousand for the year ended 31 December 2019 as compared to EUR 29,799 thousand for the year ended 31 December 2018. This increase was primarily due to an acceleration of the Group's maintenance and repair planning throughout its portfolio. As a result, property operating expenses increased by 36 per cent. in the Czech Republic and 78 per cent. in Romania.

Net income from development activities

Net income from development activities increased by 547 per cent. to EUR 556 thousand for the year ended 31 December 2019 as compared to EUR 86 thousand for the year ended 31 December 2018. This increase was primarily due to an increase of tenant requests for ASTI and developments under construction in 2019 as compared to 2018.

Net valuation result on investment property

Net valuation result on investment property increased by 70 per cent. to EUR 406,775 thousand for the year ended 31 December 2019 as compared to EUR 239,380 thousand for the year ended 31 December 2018. This increase was primarily due to compression of the Valuation Yield as the average Valuation Yield on the standing portfolio decreased to 6.53 per cent. in 2019 as compared to 6.88 per cent. in 2018 leading to a valuation gain regardless of any portfolio development in the amount of EUR 203,596 thousand. Additionally, to the valuation gain of the standing investment property as described above, the Group realised valuation gain on its development by adding new projects to the investment property and investment property under development and acquired assets. The total number of projects added to the portfolio during the period was 48, including extensions of existing properties and acquisitions.

Other income

The following table sets out a breakdown of the Group's other income for the years ended 31 December 2019 and 2018:

	Year ended 31 December	
	2019	**2018**
	(in EUR thousands)	
Gains from sale of assets	5,842	45,357
Income from sale of electricity	3,251	3,185
Other income	1	1,151
Other income	**9,094**	**49,693**

Other income decreased by 82 per cent. to EUR 9,094 thousand for the year ended 31 December 2019 as compared to EUR 49,693 thousand for the year ended 31 December 2018. This decrease was primarily due to the sale of several properties to Deka Immobilien (see "*Business Overview—Material Contracts—DEKA SPA and guarantees*") and local distribution networks in 2018, both generating extraordinary income in 2018 as compared to 2019.

Other expenses

Other expenses decreased by 29 per cent. to EUR 17,149 thousand for the year ended 31 December 2019 as compared to EUR 24,235 thousand for the year ended 31 December 2018. This decrease was primarily due to the Group's restructuring which occurred in 2018 and which resulted in increased legal, tax and other administrative expenses, while no such transaction occurred in 2019.

Interest expense

Interest expense increased by 3 per cent. to EUR 57,019 thousand for the year ended 31 December 2019 as compared to EUR 55,558 thousand for the year ended 31 December 2018. This slight increase was primarily due to the increase of the Group's loan and borrowings to EUR 2,678 million as of 31 December 2019 as compared to EUR 2,130 million as of 31 December 2018. In the contrary, the Average Costs of Debt decreased to 2.1 per cent. for the year ended 31 December 2019 as compared to 2.5 per cent. for the year ended 31 December 2018. The overall amount of interest expense directly relates to the fact that the Group financed the development of its property portfolio solely through bank financing which resulted in its historical Net LTV (also for the period prior to the period covered by the Financial Statements) to be above 50 per cent. The relatively higher Net LTV correlates to the business model of the Group whereby the Company's equity was historically reinvested into the growth of its portfolio and the growth has been primarily financed by external financing, as it had limited means from retained profits.

Other financial expenses

Other financial expenses increased by 100 per cent. to EUR 15,944 thousand for the year ended 31 December 2019 as compared to EUR 7,981 thousand for the year ended 31 December 2018. This increase was primarily due to the refinancing of the Group's industrial property portfolio in the Czech Republic in June 2019 under a syndicate loan facility for a total committed amount of approximately EUR 1.9 billion generating a prepayment fee for repayment of existing facilities of EUR 8.6 million (see "*—Financing arrangements of the Group—Czech Portfolio Facilities Agreement*").

Other financial gains/losses

Other financial gains decreased by 3,392 per cent. to a loss of EUR 44,809 thousand for the year ended 31 December 2019 as compared to a gain of EUR 1,361 thousand for the year ended 31 December 2018. This increase was primarily due to premature termination of the derivatives of the refinanced Group's industrial property portfolio in the Czech Republic (see "*Financing arrangements of the Group—Czech Portfolio Facilities Agreement*") resulting in a payment of EUR 31,705 thousand. The nominal amount of interest swaps as of 31 December 2019 was EUR 2,168,504 thousand which represented 80.5 per cent. of the outstanding bank loans and borrowings. As of 31 December 2018 the nominal amount of interest rate swaps hedged was EUR 1,189,593 thousand which represented 55.8 per cent. of the outstanding bank loans and borrowings. For more information on the Group's derivative position, please see Note 30 to the Financial Statements.

Income tax expense

Income tax expense increased by 79 per cent. to EUR 108,548 thousand for the year ended 31 December 2019 as compared to EUR 60,670 thousand for the year ended 31 December 2018. This increase was primarily due to the increase of the deferred tax liability out of the net valuation gain realised in 2019 compared to 2018. The increase in the effective tax rate in 2019 compared to 2018 was further driven by changes in the tax exempt income in 2018 relating to the sale of a part of the Group's portfolio to DEKA and conversion differences into functional currency.

The overall amount of income tax expense was primarily due to the Group's prudent approach to taxes in several countries whereby tax losses were not recognised in the deferred tax calculations, as well as due to deferred tax assets from tax losses were only recognised to the extent that the Group had a high degree of certainty of recoverability and tax deductible expenses were calculated prudently. In addition, the Company does not qualify as a real estate investment trust (REIT) and cannot therefore benefit from its tax advantages including, among others, lower corporate income taxes.

Liquidity and capital resources

Capital resources

The financial condition and liquidity of the Group are and will continue to be influenced by a variety of factors, including:

- its ability to generate cash flows from its operations;
- its level of developments of new properties and property acquisition activity;
- its capital expenditure requirements mainly for renovation, refurbishment and more substantial redevelopment projects;
- the level of its outstanding indebtedness, and the interest the Group is obligated to pay on such indebtedness, which affects its financing costs;
- prevailing interest rates, which affect its debt service requirements; and

- its ability to continue to borrow funds from banks and international debt capital markets.

Principal sources of the Group's liquidity have traditionally consisted of cash flow generated from its operations and financing including bank loans, shareholder loans, equity and recently also bonds. The Company established its EMTN Programme in September 2020 and issued its debut green bond in October 2020 and a second green bond in November 2020. The Group expects to continue to rely on cash flow generated from its operations, financing through bank loans and increasingly bonds. In the medium term, the Group is considering refinancing the majority of its secured bank debt with the aim to achieve a more flexible capital structure based primarily on unsecured funding model. See "*—Financing arrangements of the Group*" below for more information.

Working capital statement

The working capital available to the Group is, in the opinion of the Company, sufficient for the Group's present requirements; that is for at least 12 months following the date of this Prospectus.

Statement of cash flows

The following table summarises the Group's cash flows for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Profit for the period	**252,118**	**392,175**	**364,900**
Net valuation result on investment property	(152,162)	(406,775)	(239,380)
Amortisation and depreciation	10,462	9,753	5,838
Net interest expense and expenses from derivatives	67,581	53,831	42,293
Change in fair value of derivatives	40,272	32,349	10,469
Other changes	(14,680)	(4,029)	5,204
Change in foreign currency rates	(3,775)	9,591	(3,988)
Income from non-controlling interest	406	(14)	(3,392)
Gain from sale of Investment property and subsidiaries	-	-	(34,977)
Income tax expense	37,901	108,548	60,670
Decrease/(increase) in trade and other receivables	31,332	(53,867)	1,944
Increase/(decrease) in trade and other payables	(13,439)	48,474	32,860
Interest paid	(62,272)	(54,583)	(54,714)
Interest received	371	582	1,953
Income taxes paid	(8,685)	(12,077)	(36,766)
Cash flows from (used in) operating activities	**185,430**	**123,958**	**152,914**
Acquisition of investment property	(64,105)	(48,699)	(46,603)
Acquisition of property, plant and equipment	(2,232)	(3,228)	(21,393)
Proceeds from disposal of investment property and PPE	8,950	12,110	37,090
Acquisition of subsidiaries, net of cash acquired	(27,116)	(20,378)	(39,689)
Repayment of loans and borrowings provided to related parties	(27,080)	-	-
Proceeds from loan and borrowings received from related parties	629	-	11,518
Proceeds from disposal of subsidiaries, net of cash disposed	1,060	-	398,159
Development of investment property	(359,227)	(322,055)	(346,840)
Cash flows from (used in) investing activities	**(469,121)**	**(382,250)**	**(7,758)**
Bonds issued	1,041,395	-	-
Repayment of borrowings	(1,088,814)	(1,508,800)	(273,782)
Proceeds from interest-bearing loans and borrowings	743,657	2,042,082	357,466
Loan and borrowings granted to related companies, net	(20,625)	(225,000)	(13,407)
Transaction costs related to loans and borrowings	(21,649)	(31,705)	(2,385)
Proceeds from the issue of share capital	200	-	-
Distribution of funds to shareholder	(12,500)	-	-
Paid dividends	-	-	(195,606)

	Year ended 31 December		
	2020	2019	2018
		(in EUR thousands)	
Payment of lease liabilities	(541)	(500)	(590)
Cash flows from (used in) financing activities	**641,123**	**276,077**	**(128,304)**
Opening cash and cash equivalents	63,821	46,284	25,485
Net change in cash and cash equivalents	**357,432**	**17,785**	**16,852**
Cash and cash equivalents reclassified to asset held for sale	-	-	4,541
Change in foreign currency rates	(2,112)	(248)	(594)
Cash and cash equivalents at end of year	**419,141**	**63,821**	**46,284**

Cash flows from (used in) operating activities

Cash from operating activities amounted to EUR 185,430 thousand for the year ended 31 December 2020 as compared to cash from operating activities of EUR 123,958 thousand for the year ended 31 December 2019. This increase was primarily due to change in working capital related to reduction of trade and other receivables and cash generated from operations.

Cash from operating activities amounted to EUR 123,958 thousand for the year ended 31 December 2019 as compared to cash from operating activities of EUR 152,914 thousand for the year ended 31 December 2018. This decrease was primarily due to decrease of working capital related to increase of trade and other receivables.

Cash flows from (used in) investing activities

Cash used in investing activities was EUR 469,121 thousand for the year ended 31 December 2020 as compared to cash used in investing activities of EUR 382,250 thousand for the year ended 31 December 2019. This increase was primarily due to increased development activity and acquisition of investment property in the amount of EUR 423,332 thousand in 2020 as compared to EUR 370,754 thousand in 2019. In addition, this increase was due to the repayment of loans provided to related parties.

Cash used in investing activities was EUR 382,250 thousand for the year ended 31 December 2019 as compared to cash used in investing activities of EUR 7,758 thousand for the year ended 31 December 2018. The amount in 2018 was substantially lower primarily due to the netting of (i) cash received in 2018 from the disposal of subsidiaries (in the amount of EUR 398,159 thousand mainly from the Group's sale of portfolio companies owning three business parks, consisting of 32 buildings, to Deka Immobilien and Westinvest) and (ii) the Group's investments in development activities in 2018.

Cash flows from (used in) financing activities

Cash from financing activities was EUR 641,123 thousand for the year ended 31 December 2020 as compared to cash from financing activities of EUR 276,077 thousand for the year ended 31 December 2019. This increase was primarily due to an increase from the net proceeds out of issuing bonds in the second half of 2020 in the total amount of EUR 1,041,395 thousand and decrease of the net of repayment of and proceeds from interest-bearing loans and borrowings in the amount of EUR 878,439 thousand and further the distribution of funds towards the shareholder in the amount EUR 225,000 thousand in 2019.

Cash from financing activities was EUR 276,077 thousand for the year ended 31 December 2019 as compared to cash used in financing activities of EUR 128,304 thousand for the year ended 31 December 2018. This change was primarily due to the increase of the net of repayment of and proceeds from interest-bearing loans and borrowings from financial institutions in the amount of EUR 533,282 thousand, as compared to EUR 83,684 thousand.

Capital expenditures and investments

The Group's capital expenditures, defined as additions to investment properties, during the period under review related mainly to development of new properties, purchases of land into the Group's land bank for future development, acquisition of existing properties and improvements of existing properties, each at acquisition or construction cost (not fair value). The relative amount of capital expenditures in a given year is attributable to a number of factors, including the age of the properties. The Group's only other material investments during the period under review were acquisitions of buildings and parks, or property companies holding such parks to expand the Group's property portfolio.

Historical capital expenditures and investments

The following table sets forth a summary of the Group's capital expenditures and investments for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Property development including modernisation investments	355,577	294,046	360,604
Purchases of land	31,437	41,488	38,786
Acquisition of investment property	111,246	103,094	19,602
Total	**498,260**	**438,628**	**418,992**

Principal capital expenditures and investments in the year ended 31 December 2020 related to the expansion of the Group's property portfolio through developments and acquisitions. The Group developed and acquired 585 thousand square meters and 315 thousand square meters, respectively, of GLA. In particular, the Group acquired two large projects in Romania, which were positioned in its existing CTPark Bucharest West, by which the Group strengthened its local position. Furthermore, the Group acquired three industrial buildings in Komarom, Hungary and completed sale and leaseback projects in the Czech Republic (city of Aš) and Bulgaria (Sofia), where it acquired land plots and a standing industrial building, resulting in today's CTPark Sofia Airport.

Principal capital expenditures and investments in the year ended 31 December 2019 related to the expansion of the Group's property portfolio through developments and acquisitions. The Group developed and acquired 320 thousand square meters and 168 thousand square meters, respectively, of GLA. In particular, the Group expanded to the Eastern part of Slovakia through the acquisition of Košice industrial park from Erste Group and extended its Czech industrial portfolio with the sale and lease back of an industrial building in Pilsen with adjacent development land.

Principal capital expenditures and investments in the year ended 31 December 2018 related to the expansion of the Group's property portfolio through developments and acquisitions. The Group developed and acquired 585 thousand square meters and 47 thousand square meters, respectively, of GLA. In particular, the Group executed a sale and leaseback transaction of a building for TRW Automotive in Western Slovakia and continued strengthening its presence in the Czech Republic and Hungary.

Ongoing principal investments and capital commitments

In addition, the Group's principal investments that are in progress as of the date of this Prospectus are:

- The Group is in the process of acquiring a completed industrial park with additional development land of 13 thousand square meters of GLA in western Slovakia, one industrial building of 22 thousand square meters of GLA in Bulgaria and three industrial portfolios of 364.5 thousand square meters of GLA in Romania, totalling 399,5 thousand square metres of GLA in aggregate. These investments are expected to amount to approximately EUR 260 million, which will be paid from the Group's internal sources. All projects are subject to the final Board's approval.

- In February 2020, the Group entered into a purchase agreement as buyer of 4.6 million square meters of forest in the Czech Republic for a purchase price of EUR 3.5 million. When completed, this purchase would increase the Group's total forest ownership to 5.6 million square meters and close to the Group's goal to own one square meter of forest for each square meter of its industrial portfolio;

- Pipeline of new properties and project under construction with expected capital expenditures of EUR 312 million, of which EUR 81 million is discretionary. Please see "*Business Overview—Projects under construction*" for more information.

The Group is also examining several other acquisition opportunities, but the commercial terms have not yet been agreed with the potential sellers.

The Group does not have any material binding contractual obligations and commercial commitments as of the date of this Prospectus other than: (i) payment obligations as set out in the terms of its external financing (see "*—Financing arrangements of the Group*" below); and (ii) property development commitments including mainly contractual obligations to develop new projects to be delivered during 2021 expected to amount to approximately EUR 231 million.

Other than the use of proceeds of the Offering as described in "*Reason for the Admission and Offering and use of proceeds*", the anticipated source of funding for these principal investments, capital commitments and the Group's capital expenditures generally is from the Group's existing cash position, operating cash flows and drawing on the Group's external sources of financing summarised in the section "*—Financing arrangements of the Group*" below.

Financing arrangements of the Group

The following table sets forth the Group's loans and borrowings including bank overdrafts, issued bonds and related party loans as of 31 December 2020, 2019 and 2018:

	As of 31 December		
	2020	**2019**	**2018**
		(in EUR thousands)	
Issued bonds at nominal value	1,050,000	--	--
Loans payable to credit institutions excluding accrued arrangement fees	2,365,895	2,692,130	2,127,748
Payables to related parties (1)	37,171	101,086	967,380
Bank overdraft	-	3,055	3,594
Total	**3,453,066**	**2,796,271**	**3,098,722**
of which			
Non-current	3,287,823	2,548,858	2,945,480
Current	165,243	247,413	153,197
Secured(2)	2,365,895	2,695,185	2,131,342
Unsecured	1,087,171	101,086	967,380

Notes:
(1) Payables to related parties include long-term payables to related parties as well as short-term payables to related parties.
(2) Security includes conventional, asset-backed mortgages, corporate share pledges and other typical real estate-related security instruments.

The following table provides an overview of the maturity profile of the Group's loans, borrowings and issued bonds (excluding related party loans) in the period from 2021 to 2030 as of 31 December 2020:

	2021	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
					(in EUR millions)					
Debt maturity	163	141	592	154	760	1,229	8	8	20	341

The Group currently intends to prepay several credit facilities in March 2021 from the proceeds of the bond issued in February 2021 (see "*—Bonds*" below). On 10 March 2021, the Group prepaid the first part of such credit facilities in the amount of EUR 249 million. Assuming the Group completes all remaining prepayments in the amount of approximately EUR 240 million, the maturity profile of the Group's bank loans and issued bonds as of 31 March 2021 is expected to be as follows:

2021	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**

					(in EUR millions)					
Debt maturity....	117	58	456	58	714	1,178	506	6	6	332

The table below sets out the Group's Average Cost of Debt (excluding the related party loans) for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December		
	2020	**2019**	**2018**
		(in per cent.)	
Average Cost of Debt	2.0	2.1	2.5

As of 31 December 2020, the Group's interest-bearing loans and borrowings and bonds issued amounted to EUR 3,394 million, of which EUR 1,042 million, or 31 per cent., was bonds issued by the Company. A material part of Group's interest-bearing loans and borrowings and bonds issued (69 per cent. as of 31 December 2020) is owed by the subsidiaries of the Company, primarily under the Czech Portfolio Facilities Agreement. As of the same date, 69 per cent. of the Group's interest-bearing loans and borrowings and bonds issued was secured. In addition, as of 31 December 2020, the Group had EUR 480 million unutilised committed credit facilities in place to fund its future development projects.

The following table sets forth the proportion of the Group's encumbered and unencumbered assets as of 31 December 2020:

	As of 31 December 2020
	(in EUR millions)
Encumbered assets	4,451
Unencumbered assets	1,421
Total GAV..	**5,872**

Bonds

The following table provides a basic overview of outstanding bonds issued by the Group as of 31 December 2020:

Group Member	**Ranking**	**Ratings at Issue**	**Bonds Outstanding[(1)]**	**Maturity**	**Coupon**
			(in EUR millions)		*(in per cent.)*
Company[(2)]	Senior unsecured unsubordinated	Baa3 (Moody's) / BBB- (Standard & Poor's)	650	1 October 2025	2.125
Company[(2)]	Senior unsecured unsubordinated	Baa3 (Moody's) / BBB- (Standard & Poor's)	400	27 November 2023	0.625
Total.....................			**1,050**		

Notes:
(1) Represents principal owed, disregarding accrued interest, unamortised discounts/premiums and fees.
(2) Issued by the Company under its EUR 4 billion Euro Medium Term Note Programme.

In addition, in February 2021, the Company issued a further senior unsecured unsubordinated EUR 500 million bond due on 18 February 2027 with a coupon of 0.75 per cent. per annum. The ratings at issue were same as in the table above.

In September 2020, the Company established its EUR 4,000,000,000 Euro Medium Term Note Programme (the "**EMTN Programme**"). Morgan Stanley & Co. International plc acted as arranger, Erste Group Bank AG, J.P. Morgan Securities plc, Morgan Stanley & Co. International plc, Raiffeisen Bank International AG, Société Générale and UniCredit Bank AG as dealers, Citicorp Trustee Company Limited as trustee, Citibank, N.A., London Branch as principal paying agent and transfer agent and Citigroup Global Markets Europe AG as registrar. All bonds issued by the Group were issued by the Company under the EMTN Programme.

The bonds issued under the EMTN Programme constitute direct, general, unconditional and unsecured obligations of the Company which rank pari passu among themselves and at least pari passu with all other present and future unsecured obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The EMTN Programme contains financial covenants which permit the incurrence of additional indebtedness by the Group when: (i) the aggregate principal amount of all outstanding debt of the Group is not greater than 60 per cent. of its total assets; (ii) the aggregate principal amount of all outstanding secured debt of the Group is not greater than 40 per cent. of its total assets; (iii) the ratio of the Group's consolidated income available for debt service to the interest charge is not less than 1.5x; and (iv) the Group's total unencumbered assets, defined as the sum of (a) the fair market value of real estate assets owned by any member of the Group that is not subject to an encumbrance (calculated by the Company and excluding any real estate assets which are reflected on the Group' consolidated statement of financial position as a financial lease in accordance with IFRS and to the extent that any such items (other than letters of credit) would appear as a liability on the Group' consolidated statement of financial position in accordance with IFRS) and (b) the value (determined in accordance with IFRS) of all other assets of the Group not subject to an encumbrance, is not less than 125 per cent. of the aggregate outstanding principal amount of the Group's unsecured debt. As of the date of this Prospectus, management believes the Group complies with these financial covenants.

These financial covenants are subject to the following exceptions, which permit the incurrence of: (a) intragroup indebtedness, (b) refinancing indebtedness, and (c) indebtedness for operational and development funding, working capital and general corporate purposes, to the extent it does not exceed the greater of EUR 200,000,000 and 3.75 per cent. of the Group's total assets.

Breach of the covenants constitutes an event of default upon which the trustee, having certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the bondholders, may give written notice to the Company declaring the bonds issued under the EMTN Programme to be immediately due and payable together with accrued interest. Such acceleration could materially affect the Group's operation.

In connection with the EMTN Programme the Company prepared a green bond framework (the "**Green Bond Framework**"), which was certified by Sustainalytics, an independent third party. The Green Bond Framework was developed according to the Green Bond Principles 2018, administrated by the International Capital Market Association. A summary of the Green Bond Framework is set forth below:

- an amount equivalent to the net proceeds from green bond issuances pursuant to the Green Bond Framework will be allocated to finance or refinance a selected pool of new and existing assets that promote the transition to low-carbon and climate resilient growth and which meet the criteria in the Green Bond Framework (the "**Green Asset Pool**");
- a green bond committee is established in order to oversee the project evaluation and selection process and ensure selected projects comply with the eligibility criteria defined in the Green Bond Framework and with the Group's corporate responsibility strategy. The green bond committee, among other things, reviews and approves the selection of projects for the Green Asset Pool, monitors the Green Asset Pool, removes any projects that no longer meet the eligibility criteria from the Green Asset Pool and replaces them with new projects and reviews and validates the annual report for investors and external verification;
- an amount equivalent to the net proceeds from green bond issuances will be allocated and managed by the Group's special team. This team will track the allocation of proceeds to such projects in line with Group's internal systems. Pending allocation to the Green Asset Pool, net proceeds from green bond issuances may be temporarily invested or otherwise maintained in cash and cash equivalents. Payment of principal and interest on the green bonds will be made from Company's general funds and will not be directly linked to the performance of the Green Asset Pool. The Company commits on a best effort basis to reach full allocation within three years following the green bond issuance; and
- starting one year from any green bond issuance, the Company will prepare and make readily available on the corporate website information on the allocation of net proceeds to the Green Asset Pool, and will

update that information annually, until full allocation. Wherever feasible, and until full allocation, the Group will also make available information on the environmental impact of the Green Asset Pool.

Principal bank loans

The following table provides a basic overview of the Group's principal bank loan facilities as of 31 December 2020:

Group Member	Type of Facility	Security and Guarantees	Aggregate Outstanding Balance	Base Rate[1]	Applicable Margin	Final Maturity Date
			(in EUR millions)		*(in per cent. per annum)*	
CTP Industrial Property CZ, spol. s r.o.[2]	Committed term, uncommitted term	Security	1,395	EURIBOR[3]	1.80 (refinancing facility) or 1.95 (development facility) or 2.25 (incremental facility)	12 June 2026[4]
CTP Portfolio Finance Czech B.V.[5]	Committed term	Security	396	EURIBOR[3]	1.90 or 1.85 (if LTV less than 60%)[6][7]	11 September 2030
Company	Revolving	-	--	EURIBOR	1.30 or 1.20 (if LTV less than 45%) or 1.40 (if LTV more than 55%)	18 December 2023
Total			1,791			

Notes:

(1) May vary for different facilities
(2) And property companies owning nearly the entire industrial portfolio of the Group in the Czech Republic
(3) The facilities agreements set out mechanism for conversion of facilities into fixed rate. If such conversion occurs, fixed rate agreed with the individual fixed rate lenders in a fixed rate letter applies.
(4) The Group may consider a prepayment of the outstanding loans under in June 2022, in part or in full, from the proceeds of issuance of bonds
(5) And two property companies owning a significant part of the Group's industrial portfolio in the Czech Republic.
(6) Applicable margin can be increased by 1.5% per annum if insurance undertakings set out in the Aareal Facilities Agreement are breached (insurance covenant breach margin step-up due to German covered bonds act regulation).
(7) In November 2020, all loans under the Aareal Facilities Agreement have been converted into fixed rate loans with the agreed fixed rate equal to the applicable margin.

The terms of certain of the Group's financial indebtedness contain restrictive provisions (see "*—Czech Portfolio Facilities Agreement" and* "*—Aareal Facilities Agreement*" below for more information).

The Indebtedness of the Group's income producing properties is typically secured by the subsidiaries' assets (usually including its shares, properties, and receivables) and carries a certain repayment profile varying between 2.5 per cent. to 5.0 per cent. p.a. of the original loan size. The Indebtedness of development projects typically also benefits from a cost-overrun guarantee from CTP Invest comprising up to 10 per cent. of the development cost. The loan documentation for income producing properties normally includes a maximum LTV and a minimum ICR covenant. In some cases, a debt service reserve account is part of the structure, where liquidity is held for the benefit of the relevant lending institution. Such funds appear on the Group's balance sheet under non-current trade and other receivables as restricted cash and amount to EUR 10 million as per 31 December 2020. As of 31 December 2020, the Group had EUR 480 million of unutilised committed credit facilities in place to fund its development projects. Their draw down is subject to certain limitations as set out in their conditions.

As of 31 December 2020, the Group's subsidiaries had taken out approximately 50 credit facilities with lending institutions, most of which fund a specific property or portfolio of a number of properties. Following the repayment of the credit facilities after the issuance of the bond on 18 February 2021 the number of the credit facilities was decreased to approximately 15. The Czech Portfolio Facilities Agreement comprised 41 per cent. of the Groups' total Indebtedness as of 31 December 2020.

The Group continues to assess options for refinancing its secured bank debt in this respect as attractive market conditions for investment graded issuers have continued in 2021. At the same time, the Group's intention is to increase its debt maturity profile through issuance of longer tenor bonds. As a result, the Group's largest outstanding bank loans described below may be partially or fully prepaid early.

Czech Portfolio Facilities Agreement

CTP Industrial Property CZ, spol. s r.o. and property companies owning the majority of the Group's industrial portfolio in the Czech Republic are parties as original borrowers to a senior facilities agreement dated 12 June 2019, as amended, with, among others, Erste Group Bank AG, Česká spořitelna, a.s., Société Générale S.A., Komerční banka, a.s., UniCredit S.p.A. and UniCredit Bank Czech Republic and Slovakia, a.s. as mandated lead arrangers, Komerční banka, a.s. as agent, Deutsche Pfandbriefbank AG as security agent and certain financial institutions named therein as original lenders and original hedge counterparties (the "**Czech Portfolio Facilities Agreement**"). The Czech Portfolio Facilities Agreement provides for term loan facilities in the aggregate amount of EUR 1,619 million (with EUR 1,200 million outstanding as of 31 December 2020), a committed development facility up to the amount of EUR 270 million (with EUR 187 million outstanding as of 31 December 2020) and a committed incremental facility in the aggregate amount of EUR 216 million (with EUR 8 million outstanding as of 31 December 2020).

The Czech Portfolio Facilities Agreement sets out the following financial covenants, which are subject to the agreed cure rights, including: (1) DSCR ratio: (i) prior to the 12th test date (being 20 June 2022), at least 1.10:1; and (ii) thereafter, at least 1.15:1; and (2) LTV ratio not exceeding: (i) 77.5 per cent., at any time before 19 June 2021; (ii) 75 per cent., at any time thereafter but before 19 June 2023; (iii) 72.5 per cent., at any time thereafter but before 19 June 2024; and (iv) 70 per cent., at any time thereafter. As of the date of this Prospectus, management believes the Group complies with these covenants.

Breach of the financial covenants constitutes a material event of default upon which the lenders may cancel their commitments and/or declare all or part of the loans, together with accrued interest, immediately due and payable and/or enforce the transaction security. Such cancellation, acceleration and/or enforcement could materially affect the Group's operation.

The obligations of the borrowers under the Czech Portfolio Facilities Agreement are general, senior secured obligations. The security package includes primarily mortgages over the borrower's industrial portfolio in the Czech Republic as well as pledges of ownership interests in the borrowers, their bank accounts, insurance receivables and rent receivables. The final maturity date with respect to the loans under the Czech Portfolio Facilities Agreement is 12 June 2026. The Group may consider a prepayment of the outstanding loans under the Czech Portfolio Facilities Agreement in June 2022, in part or in full, from the proceeds of issuance of bonds. The borrowers may, if they give not less than ten business days' notice, prepay the whole or any part of the loans. If the prepayment occurs after June 2022, no prepayment fee applies. Before June 2022, prepayment fee of 1.25% or 0.75% of the prepaid amount would apply depending on the date of prepayment.

The interest rate under the Czech Portfolio Facilities Agreement is calculated as a margin plus EURIBOR. The Czech Portfolio Facilities Agreement sets out mechanism for conversion of facilities into fixed rate loans on or before the completion of a primary syndication (which has been completed before the date of this Prospectus). Where such conversion occurred, fixed rate agreed with the respective lenders in a fixed rate letter applies.

The Czech Portfolio Facilities Agreement contains restrictive provisions standard for this type of financing which, among other things, limit the Group's ability to incur additional financial indebtedness, perform acquisitions, invest in joint ventures, make distributions and certain other payments, dispose of assets, provide loans or guarantees, or create security. These restrictions are subject to a number of exceptions and qualifications being, e.g.: (i) prior consent of all or majority of (as applicable) the lenders; (ii) compliance with agreed thresholds; or (ii) occurrence of such event in the ordinary course of an obligor's business. The Czech Portfolio Facilities Agreement also contains change of control provisions the triggering of which may result in mandatory prepayment of the loans. The change of control provisions contain certain exceptions including for the Offering.

Aareal Facilities Agreement

On 11 September 2020, CTP Portfolio Finance Czech B.V. (a wholly-owned subsidiary of CTP Property B.V.) and two property companies owning a significant part of the Group's industrial portfolio in the Czech Republic entered into a facilities agreement with Aareal Bank AG as arranger, agent, security agent and original lender (the "**Aareal Facilities Agreement**"). The Aareal Facilities Agreement provides for term loan facilities in the aggregate amount of EUR 403.5 million (with EUR 396 million outstanding as of 31 December 2020). The Group used the proceeds of the Aareal Facilities Agreement for a partial refinancing of the Czech Portfolio Facilities Agreement.

The Aareal Facilities Agreement sets out certain financial covenants, which are subject to certain agreed cure rights, including: (1) debt yield of at least: (i) 6.00 per cent., at any time before 29 September 2023; (ii) 6.50 per cent., at any time thereafter but before 29 September 2026; and (iii) 7.00 per cent., at any time thereafter; and (2) LTV ratio not exceeding: 75 per cent., at any time before 29 September 2023; (ii) 70 per cent., at any time thereafter but before 29 September 2026; and (iii) 65 per cent., at any time thereafter. As of the date of this Prospectus, management believes the Group complies with these covenants.

Breach of the financial covenants constitutes a material event of default upon which the lenders may, among others, cancel their commitments and/or declare all or part of the loans, together with accrued interest, immediately due and payable and/or enforce transaction security. Such cancellation, acceleration and/or enforcement could materially affect the Group's operation.

The obligations of the borrowers under the Aareal Facilities Agreement are general, senior secured obligations. The security package includes primarily mortgages over the property companies' industrial portfolio in the Czech Republic as well as pledges of ownership interests in the borrower and the property companies, their bank accounts, insurance receivables and rent receivables. The final maturity date is 11 September 2030. The borrowers may, if they give not less than ten business days' notice, prepay the whole or any part of the loans. If the prepayment occurs before September 2026, a prepayment fee applies. Prepayment fee ranges from 0.25% to 2.25% of the prepaid amount depending on the date of prepayment.

The interest rate is calculated as a margin plus EURIBOR. The Aareal Facilities Agreement sets out mechanism for conversion of facilities into fixed rate loans. Any lender may at any time convert its loans to fixed rate loans by entering into a fixed rate letter with the borrower and the agent. In November 2020, all loans have been converted into the fixed rate loans with the agreed fixed rate equal to the applicable margin.

The Aareal Facilities Agreement contains restrictive provisions which, among other things, limit the Group's ability to incur additional financial indebtedness, perform acquisitions, invest in joint ventures, make distributions and certain other payments, dispose of assets, provide loans or guarantees, or create security. These restrictions are subject to a number of exceptions and qualifications being, e.g.: (i) prior consent of all or majority of (as applicable) the lenders; (ii) compliance with agreed thresholds; or (ii) occurrence of such event in the ordinary course of an obligor's business. The Aareal Facilities Agreement also contains change of control provisions the triggering of which may result in mandatory prepayment of the loans. The change of control provisions contain certain exceptions including for the Offering.

Revolving Credit Facility Agreement

On 18 December 2020, the Company as borrower entered into a revolving credit facility agreement with a syndicate of banks including Raiffeisen Bank International AG, Československá obchodní banka, a.s., Erste Group Bank AG, ING Bank N.V., Komerční Banka, a.s., and Unicredit Bank Czech Republic and Slovakia, a.s. (the "**Revolving Credit Facility Agreement**"). The Revolving Credit Facility Agreement provides for an unsecured revolving credit facility in the aggregate amount of EUR 100 million (with no amount outstanding as of 31 December 2020). The facility can be used for general corporate purposes, and offers the Group committed stand-by liquidity.

Off-Balance sheet arrangements

The Group did not have any off-balance sheet arrangements as of and for the years ended 31 December 2020, 2019 and 2018 that have or are reasonably likely to have a material impact on its current or future financial position.

Contingent liabilities

The Group has provided certain guarantees including the guarantees to Deka Immobilien (see "*Business Overview—Material Contracts—DEKA SPA and guarantees*") and guarantees for contracted work, being the amount work ordered with the subcontractors but not yet performed by them, and further representations and warranties in relation to developments and disposals which are usual for transactions of this nature, including representations and warranties relating to financial, regulatory and tax matters.

No significant change

Other than the EUR 500 million bond issuance in February 2021 and repayment of credit facilities from its proceeds in the amount of EUR 249 million on 10 March 2021 (please see "*Capitalisation and Indebtedness*" and "*—Financing arrangements of the Group—Bonds*" for more information), no significant change in the financial performance or financial position of the Group has occurred since 31 December 2020.

Financial risk management

Overview

The Group is exposed to various types of market risks in the ordinary course of its business such as credit risk, capital risk, operational risk and market risks including foreign currency risk, interest rate risk and liquidity risk. Below is a summary of how these risks impact its business and what targets, processes and policies the Group has applied to manage individual risks. For more information, please see Note 34 to the Financial Statements.

The Group analyses and reviews each of these risks and defines strategies to manage the economic impact on the Group's performance. The Board is responsible for setting risk management guidelines and framework, as well as for regularly review of risk management policies and strategies, updating and modifying them if market circumstances change. The results of the risk management strategies include the use of derivative financial instruments, primarily forward exchange contracts and interest rate swaps. The Group does not hold derivative instruments, and does not issue any, for speculative purposes.

Credit risk

Credit risk refers to the risk that Group's counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Company's management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed for all Group's tenants requiring credit over a certain amount. The Group usually does not require collateral from its tenants. For most tenants, a parent company guarantee or a solvent tenant group company guarantee is in place.

Investments can be made only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group. Given their high credit ratings, the Company's management does not expect any counterparty to fail to meet its obligations. The Group has bank accounts with prestigious banking institutions, where no risk is expected. The Group monitors regularly the financial position of the related parties and the related credit risk.

As of 31 December 2020, there were no significant concentrations of credit risk towards third parties. The Group's material cash position was deposited for the short term at three of its relationship banks: EUR 120 million at Société Générale (long-term bank deposit rating A1, short-term rating P-1 (Moody's); EUR 100 million at Raiffeisen Bank International (long-term bank deposit rating A3, short-term rating P-2 (Moody's)) and EUR 75 million with ING Group (long-term bank deposit rating Aa3, short-term rating P-1 (Moody's)).

Capital risk

Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. The Company manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. Group's overall strategy remains unchanged compared to the year ended 31 December 2019.

The Group as property investor is mainly influenced by the fact that it leverages its project financing by using bank debts and bond issues. There is no real seasonality impact on its financial position but rather the volatility of financial markets that might positively or negatively influence Group's financial position. The capital structure of the Group consists of a debt of which liabilities to banks excluding accrued arrangement fees amounted to EUR 2,366 million and liabilities under issued bonds including interest expenses and excluding discount applied and bond issuance costs amounted to EUR 1,050 million as of 31 December 2020.

The Net LTV of the Group properties was 50.7 per cent. as of 31 December 2020 (as compared to 49.5 per cent. as of 31 December 2019) which is seen as appropriate within the financial markets where Group is operates. As properties are leased for a long-term period and the Group has agreed with its financial institutions, the Group expects to fulfil financial covenants in the future.

Operational risk

Operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss from external events. The Group assesses these risks on a regular basis and undertakes measures aimed at systematic detection and minimisations of these risks. During the year ended 31 December 2020, operational risk management activities concentrated on improving the management information systems containing information about individual projects and related legal documentation. With respect to areas with an identified significant risk, the Group operates a set of key risk indicators that serve as an early-warning system and as a measurement of operational risks taken.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing the return.

Foreign currency risk

Currency risk is managed mainly by making, when possible, investments in the same currency as the financing sources utilised. The currency risk during the period of repayment of liabilities to third parties is usually offset by generating revenues denominated in the same underlying currency. The Group pays for construction of buildings in local currency and therefore has foreign currency risk during the construction period. In addition, salaries of the Group's employees are paid mainly in local currency as well, also resulting in foreign currency risk. The Group uses derivative financial instruments to hedge against the exposure to foreign currency risk arising on forecast transactions. As of 31 December 2020, the Group had entered into forward foreign exchange transactions for a nominal amount of 10 million EUR for a period up to two months.

As of 31 December 2020, the Group analysed the impact of the foreign exchange rate variances on its assets and liabilities and on its statement of comprehensive income. The foreign currency risk for interest payments and repayments of bank loans, borrowings and bonds issued are typically hedged by generating revenues denominated in the same underlying currency. Foreign currency exchange risk is limited and arises from recognised monetary assets and liabilities.

Interest rate risk

The interest rate risk arises mainly from the floating interest rates applicable to debt financing. Bank loans usually have flexible interest rates based on EURIBOR or PRIBOR rates for the reference period from 1 months to 6 months increased by a fixed margin. As of 31 December 2020, the Group entered into transactions with the financial institutions for a nominal amount of EUR 1,649 million to hedge the interest rate risk by holding interest rate swaps and by fixed rate loans and bonds which amounted to a nominal amount of EUR 1,452 million as of 31 December 2020. More than 91 per cent. of the Group's financial liabilities to banks and bondholders are hedged in this manner.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. With respect to the nature of its business and its assets, the Group is naturally exposed to a certain amount of liquidity risk. The Group manages liquidity risk by constantly monitoring forecast and actual cash flow, financing its investment property portfolio by long-term financing, and refinancing where appropriate, and uses rent income to settle short-term liabilities. Furthermore, the Group has access to a EUR 100 million committed three-year revolving credit facility provided by the Group's relationship banks.

Significant accounting policies

The Company's significant accounting policies are set forth in Note 4 to the Financial Statements. The preparation of the Company's Financial Statements in accordance with IFRS requires the Group's management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that the Company's management believes to be reasonable under the circumstances, the results of which form the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates. The estimates and assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods. The subsidiaries of the Company apply the same accounting policies and estimates when preparing their separate consolidated financial statements.

MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

This section summarises information concerning the Board, the Executive Committee (as defined below), the Group's employees and the Company's corporate governance. It is based on relevant provisions of Dutch law as in effect on the date of this Prospectus, and the Articles of Association and the Board Rules (as defined below), as in effect as of the Settlement Date.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the relevant provisions of Dutch law as in force on the date of this Prospectus and the Articles of Association, the Board Rules and the charters of the committees. The Articles of Association in the governing Dutch language and in an unofficial English translation thereof are available on the Company's website (www.ctp.eu). The Board Rules and the charters of the committees in the governing English language (only) are available on the Company's website.

Management structure

Upon the conversion of the Company into a public limited liability company on the Settlement Date, the Company will have a one-tier board structure consisting of two Executive Directors and four Non-Executive Directors. The Executive Directors are responsible for the Company's day-to-day management. The Non-Executive Directors supervise the Executive Directors' policy and performance of duties and the Company's general affairs and business, and advise the Executive Directors.

The Company has a well-defined management organisation. Certain key officers have been appointed to manage the Company together with the Board. The Executive Directors and these key officers together constitute the Company's executive committee (the "**Executive Committee**").

As at the date of this Prospectus, the provisions in the BW that are commonly referred to as the "large company regime" (*structuurregime*) do not apply to the Company. This will not change upon conversion of the Company into a public limited liability company (*naamloze vennootschap*). Note that the Company may meet the large company regime requirements in the future, which will have an impact on the governance described below. The Company may then be eligible to apply the holding and financing company exemption to prevent the large company regime becoming applicable to it if at least 50 per cent. of its employees works outside the Netherlands.

Board

Powers, responsibilities and functioning

The Board, as a one-tier board, is both the executive and supervisory body of the Company. The Board is responsible for the management of the Company's operations as well as the operations of the Group. It also supervises the general course of affairs of the Company and its business enterprise, taking into consideration the interests of the Group's stakeholders (which includes but is not limited to its customers, its suppliers, its employees and the Shareholders). The Board will also observe the corporate social responsibility issues that are relevant to the Group.

The Board's responsibilities include, among other things, defining and attaining the Company's objectives, determining the Company's strategy and risk management policy, day-to-day management of the Company's operations, and developing a view on long-term value creation by the Company. The Board may perform all acts necessary or useful for achieving the Company's objectives, with the exception of those acts that are prohibited or are expressly attributed to the General Meeting by law or by the Articles of Association. Pursuant to the Articles of Association and the Board Rules, the Directors will divide their tasks among themselves in mutual consultation. Pursuant to the Articles of Association, the Board as a whole has been entrusted with certain powers on which basis the Board as a whole is authorised to resolve upon certain matters. However, in light of the main task of the Non-Executive Directors to supervise the Executive Directors, certain responsibilities and tasks are allocated to the Non-Executive Directors. Therefore, pursuant to the Board Rules, the Non-Executive Directors have the authority to adopt those resolutions on behalf of the Board.

In performing their duties, the Directors are required to be guided by the interests of the Company and its business enterprise, taking into consideration the interests of the Group's stakeholders (which includes but is not limited to its customers, its employees and the Shareholders).

The Non-Executive Directors have drawn up a profile for the composition of the Non-Executive Directors, taking into account the nature of the Company's business. The profile shall address the desired expertise and background of the Non-Executive Directors, the desired diverse composition of the Non-Executive Directors in accordance with the diversity policy of the Company, the number of Non-Executive Directors and the independence of the Non-Executive Directors. The Non-Executive Directors will discuss the profile at the occasion of its adoption and subsequently with each amendment.

Certain important decisions of the Board require the consenting vote of at least a majority of the Non-Executive Directors entitled to vote and the approval of the General Meeting, as more fully described below under "—*Board—Board meetings and decisions*".

Subject to certain statutory exceptions, the Board as a whole is authorised to represent the Company. In addition, each Executive Director individually has the authority to represent the Company. Pursuant to the Articles of Association, the Board is authorised to appoint proxy holders (*procuratiehouders*) who are authorised to represent the Company within the limits of the specific delegated powers provided to them in the proxy.

Board rules

Pursuant to the Articles of Association, the Board must adopt rules of procedure that govern, amongst other things, the Board's and the Executive Committee's organisation, decision-making process, duties and organisation of committees and other internal matters (the "**Board Rules**"). The Board Rules will be in effect as of the Settlement Date.

Composition, appointment and removal

The Articles of Association provide that the Board is authorised to determine the number of Executive and Non-Executive Directors. As of the date of this Prospectus, the management board of the Company consists of two managing directors and as of the Settlement Date, the Board will consist of six Directors.

Directors are appointed by the General Meeting on a binding nomination of the Non-Executive Directors on behalf of the Board. The binding nomination shall be included in the notice of the General Meeting at which the appointment shall be considered.

The General Meeting may at all times overrule a binding nomination for the appointment of a Director by a resolution adopted by an absolute majority of the votes cast, representing more than one third of the issued capital. If a binding nomination for the appointment of a Director is overruled, the Non-Executive Directors, on behalf of the Board, shall make a new binding nomination for the appointment of a Director which shall be presented at a new General Meeting or may withdraw the vacancy in the Board. If the second binding nomination has been overruled by the General Meeting and the Non-Executive Directors have not decided to withdraw the vacancy within four weeks after the General Meeting cancelled the binding nature of a nomination for the second time, the Shareholders will be able to put the appointment of a Director on the agenda if they are authorised to do so in accordance with Dutch law, see "*Description of Share Capital—General Meetings and Voting Rights—General Meetings*".

The Board may grant titles to Directors as the Board deems appropriate, including the title of Chief Executive Officer ("**CEO**") and Senior Independent Director.

The General Meeting may at any time suspend or dismiss a Director. If the suspension or dismissal was not proposed by the Non-Executive Directors on behalf of the Board, then the General Meeting can only suspend or dismiss a Director with a two-thirds majority of the votes cast, representing more than half of the issued capital. The Non-Executive Directors, on behalf of the Board may at all times suspend, but not dismiss an Executive Director. A suspension may be extended one or more times, but the total duration of the suspension may not exceed three months. If at the end of that period, no decision has been taken on termination of the suspension or dismissal, the suspension shall end. The suspended Director must be given the opportunity to account for his, her or its actions at the meeting in which the suspension is discussed.

Term of appointment

A Director shall be appointed for a term lapsing ultimately at the end of the annual General Meeting held in the fourth year after the year of his appointment or re-appointment. A Director may be re-appointed with due observance of this paragraph. In deviation from this paragraph, Remon Vos (the "**Founder**") may be unlimitedly appointed and re-appointed as a Director for an indefinite period of time. Mr. Vos and Richard Wilkinson will be the Executive Directors as per the Settlement Date. Mr. Vos is appointed for an indefinite period of time. Mr. Wilkinson is appointed for a term ending at the end of the annual General Meeting to be held in 2025. See "—*Directors*" for the terms of appointment of the Non-Executive Directors to be appointed as per the Settlement Date.

Board meetings and decisions

The Board shall meet whenever a Director so requires.

Pursuant to the Board Rules, the Directors shall endeavour to achieve that resolutions are as much as possible adopted unanimously. Where unanimity cannot be reached and the applicable law, the Articles of Association or the Board Rules do not prescribe a larger majority, resolutions of the Board are adopted by majority vote. Each Director has one vote. In the event of a tied vote, the proposal is rejected, except in case that (i) the Founder is a Director, (ii) he is not considered unable to act and (iii) is entitled to vote on the proposal concerned. In such case, the Founder as a Director has a casting vote. Pursuant to the Board Rules, resolutions of the Board can only be adopted if a majority of the Directors is present or represented at the meeting, provided that any Director with a direct or indirect personal conflict of interest (as specified in the Board Rules) with the Company, is not taken into account when establishing this quorum.

The Board must obtain the approval of the General Meeting for resolutions:

- entailing a significant change in the identity or nature of the Company or its business. This includes in any event: the transfer of the business, or practically the entire business, to a third party;
- concluding or cancelling a long-lasting cooperation of the Company or a subsidiary with another legal person or company or as a fully liable general partner in a partnership, provided that the cooperation or cancellation is of a material significance to the Company; and
- acquiring or disposing of a participation in the share capital of a company by the Company or a subsidiary with a value of at least one-third of the Company's assets, calculated according to its balance sheet and explanatory notes or, if the Company prepares a consolidated balance sheet, according to its consolidated balance sheet and explanatory notes in the last adopted Annual Accounts.

In addition, pursuant to the Articles of Association, certain specific resolutions of the Board, to be clearly specified and laid down in writing, require the consenting vote of at least a majority of the Non-Executive Directors entitled to vote. The current list of those decisions as determined by the Non-Executive Directors is set out in the Board Rules. The list of resolutions includes, among others, resolutions:

- to issue Shares and grant rights to subscribe for Shares or options;
- to limit or exclude pre-emptive rights;
- to (propose to the General Meeting to) repurchase Shares or alienate Shares;
- to propose to the General Meeting to effect a capital reduction;
- to make annual or interim dividend distributions in cash or partly in cash, in the form of Shares or in a form other than in cash;

- to make a proposal to the General Meeting regarding the profits remaining after any allocation to the Company's reserves;
- to decide that payments to the Shareholders shall be at the expense of the reserves of the Company;
- to appoint or dismiss the senior internal auditor;
- to nominate a candidate as external auditor;
- to approve the audit plan drawn up by the internal audit function;
- to amend the Company's dividend policy;
- to divide tasks within the Board;
- to appoint or dismiss the company secretary of the Company;
- to enter into a transaction with a legal entity or natural person holding at least 10 per cent. of the Company's shares or in which there is a conflict of interest with a Director or an Executive Committee Member;
- in relation to subjects indicated in the Board Rules where a Director or an Executive Committee Member has a conflict of interest;
- to approve the acceptance by an Executive Director of a membership of a supervisory board or a position as non-executive director outside the Group;
- to grant any personal loans, guarantees or similar facilities to a Director or an Executive Committee Member;
- to propose to the General Meeting to amend the Articles of Association;
- to (propose to the General Meeting to) effect a legal merger or demerger;
- to propose to the General Meeting to effect a dissolution; and
- to amend the Board Rules.

Pursuant to the Articles of Association and the Board Rules, Board resolutions can also be adopted without holding a meeting, provided those resolutions are adopted in writing or in a reproducible manner by electronic means of communication, provided that no Director entitled to vote has opposed to adopting the resolutions outside a meeting.

In each of the abovementioned situations, the lack of approval (whether from the General Meeting or from the Non-Executive Directors) does not affect the authority of the Board or each Executive Director to represent the Company.

Conflict of interest

Dutch law provides that a director of a Dutch company, such as the Company, may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal interest conflicting with the interests of the company. Such a conflict of interest only exists if in the situation at hand the Director is deemed unable to serve the interests of the Company and the business connected with it with the required level of integrity and objectivity. Pursuant to the Board Rules and in line with the Dutch Corporate Governance Code, each Director, other than the Senior Independent Director or the vice-chairperson, shall immediately report any (potential) personal conflict of interest that is of a material significance to the Company, its business or the relevant Director, to the Senior Independent Director (or, in the Senior Independent Director's absence, to the vice-chairperson) and to the other Directors and shall provide all information relevant to the conflict, including any relevant information concerning his, her or its spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Senior Independent Director shall immediately report any (potential) personal conflict of interest that is of a material significance to the Company, its business or the relevant Director to the vice-chairperson (or in the vice-chairperson's absence, to the CEO) and to the other Non-Executive Directors and shall provide all information relevant to the conflict, including any relevant information concerning his, her or its spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The vice-chairperson shall immediately report any (potential) conflict of interest that is of material significance to the Company, its business or the relevant Director to the Senior Independent Director (or, in the Senior Independent Director's absence to the CEO) and the Non-Executive Directors and shall provide all information relevant to the conflict, including any relevant information concerning his, her or its spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Non-Executive Directors will, after having heard the relevant Director and without that relevant Director being present, determine whether a reported (potential) conflict of interest qualifies as a conflict of interest within the meaning of Dutch law.

If no resolution can be adopted by the Board as a consequence of such a personal conflict of interest, the resolution concerned may nevertheless be adopted by the Board. All transactions in which there are conflicts of interests with Directors will be agreed on terms that are customary in the sector concerned and must be disclosed in the Company's management report. If a Director does not comply with the provisions on conflicts of interest, the resolution concerned is subject to nullification (*vernietigbaar*).

The existence of a (potential) personal conflict of interest does not affect the authority to represent the Company, as described under "*—Board—Powers, responsibilities and functioning*" above.

Directors

On the Settlement Date, the Board will comprise the following six Directors:

Name	Date of birth	Position	Director as of	End of Term
Remon Vos	1970	Executive-Director designated as Chief Executive Officer	1 July 2020(1)	Indefinite
Richard Wilkinson	1964	Executive-Director designated as Chief Financial Officer	28 December 2020	2025
Barbara Knoflach	1965	Non-Executive Director and Senior Independent Director	Settlement Date	2024
Gerard van Kesteren..	1949	Non-Executive Director	Settlement Date	2024
Susanne Eickermann-Riepe	1960	Non-Executive Director	Settlement Date	2024
Pavel Trenka	1973	Non-Executive Director	Settlement Date	2024

(1) Mr. Vos can effectively be regarded as a managing director of the Company as of its incorporation on 21 October 2019, as he served initially until 30 June 2020 as a member of the management board of CTP Management B.V. (currently named: CTP Turkish Holding B.V.), which legal entity was the sole director of CTP B.V. until 30 June 2020 and since 1 July 2020 Mr. Vos is appointed in his own capacity.

The business address for all Directors is Van Deventerlaan 31, 3528 AG Utrecht, the Netherlands.

CVs Directors

Remon Vos

Mr. Vos co-founded the Group with two other investors in 1998 to develop full-service business parks and obtained full control of the Group in July 2019. He has been the Group's chief executive officer since 1999 and has been personally involved at both the executive and operational levels in all CEE markets, growing the Group's real estate portfolio and strengthening relationships with long-term business partners. Prior to the establishment of the Group, Mr. Vos worked as an intermediary between Czech and Dutch companies.

Richard Wilkinson

Mr. Wilkinson has been the Group's chief financial officer since July 2018. He is directly involved in defining the overall Group's financial strategy in order to improve the Group's performance and in providing a financial perspective on all development initiatives. Prior to joining the Group, Mr. Wilkinson worked for nearly 30 years at Erste Group in Vienna, where he held various senior management positions in treasury, balance sheet management and corporate banking. Mr. Wilkinson led the commercial real estate business of Erste Group in CEE for 14 years, and took over Erste Group's commercial real estate business in 2011. Whilst at Erste Group, he worked with the Group from 2003 until joining the Group in 2018. Mr. Wilkinson holds a degree in law from the London School of Economics.

Barbara Knoflach

Ms. Knoflach will join the Board on the Settlement Date as Non-Executive Director and Senior Independent Director. Ms. Knoflach is the founder of LifeWorkSpace, a consulting and private investment company focused on innovative and sustainable strategies in the Real Estate industry. In addition to her functions within the Group, Ms. Knoflach will continue to be the managing director of LifeWorkSpace. Since 12 January 2021, Ms. Knoflach is proposed as member of the board of directors of Swiss Prime Site, a listed real estate company in Switzerland, a position she will take from 23 March 2021. Prior to joining the Group, Ms. Knoflach was global head of BNP Paribas Real Estate Investment Management for four years, as well as deputy CEO of BNP Paribas Real Estate S.A. Before that, she worked for 16 years for SEB AB, a leading Nordic financial services group, of which 10 years as board member of the Wealth and Asset Management division, with responsibility for the international real estate business and asset management in Germany. Ms. Knoflach was also member of the supervisory board of several companies. Most recently, from 2016 until 2019, she was chairwoman and member of the supervisory board of HQ Capital GmbH in Bad Homburg, Germany. Prior to that, she was a member of the supervisory board of CA Immobilien GmbH in Vienna. Ms. Knoflach holds a degree in economics from the University of Applied Sciences in Mainz.

Gerard van Kesteren

Mr. van Kesteren will join the Board on the Settlement Date as Non-Executive Director. Prior to joining the Group, he worked for Kuehne + Nagel International AG for 25 years and was the company's CFO for 15 years, until his retirement. Before that, he held leading finance positions at Sara Lee Corporation for 17 years. Mr. van Kesteren was member of the supervisory board of Gategroup until 2017, a company active in the field of airline catering and hospitality services, and he currently holds supervisory board positions at the following logistics companies: Raben Group N.V. (the Netherlands), Planzer Holding AG (Switzerland), Janel Corporation (USA) and Waberer's Group (Hungary). Mr. van Kesteren is also a senior industry advisor at McKinsey & Company Germany. He has a degree in economics and accountancy from Hogeschool Arnhem (the Netherlands) and is a chartered accountant.

Susanne Eickermann-Riepe

Ms. Eickermann-Riepe will join the Board on the Settlement Date as Non-Executive Director. Ms. Eickermann-Riepe is the founder of SER IMPACT GmbH, a consulting company focused on ESG advisory, boards and mandates. In addition to her functions within the Group, Eickermann-Riepe will continue to be the managing director of this company. Prior to joining the Group, she worked for PricewaterhouseCoopers for almost 18 years as a partner and headed the German real estate business until her retirement in 2020. From 2019 to 30 June 2020, Ms. Eickermann-Riepe was also a managing director of PPG Partnerpensionsgesellschaft mbH and for MPG Mitarbeiterpensionsgesellshaft mbH. Ms. Eickermann-Riepe is chair of the board at ICG Institute (an association representing the general interests of the German real estate industry) as well as chair of the Advisory Board at RICS Germany, and is member of the advisory board of Engel & Völkers Capital AG. She holds a degree from university of applied sciences Münster (Germany) in civil engineering.

Pavel Trenka

Mr. Trenka will join the Board on the Settlement Date as Non-Executive Director. Prior to joining the Group, he worked for 12 years at HB Reavis Group, including as CEO for five years and as non-executive director for two years. Before that, Mr. Trenka worked for seven years at McKinsey & Company, the last two as associate partner. Mr. Trenka co-founded two non-profit organisations in Slovakia, of which he is a board member. He holds an MBA in Finance and Economics from the University of Rochester (USA) and an undergraduate degree from the University of Economics in Bratislava.

Executive Committee

The Executive Committee is responsible for the day-to-day management of the Company and is actively involved in all important topics related to strategy, business, sustainability, innovation, culture, leadership and communication. The Executive Committee is bound by the Board Rules. Although the Executive Committee exists, the rights and obligations of the Board under Dutch law, the Articles of Association and the Dutch Corporate Governance Code remain in full force. The Board shall therefore remain accountable for the actions and decisions of the Executive Committee and have ultimate responsibility for the Company's external reporting and its reporting to its Shareholders.

The CEO, after consultation with the Board, determines the number of Executive Committee Members (as defined below) who are not also Executive Directors. The members of the Executive Committee who are not also Executive Directors (the "**Executive Committee Members**"), can be appointed, suspended and dismissed by the CEO, after consultation with the Board. In the event that the CEO is absent or unable to act, the authorities of the CEO referred to in this paragraph shall be vested in the Board. For the avoidance of doubt, a member of the Executive Committee means either an Executive Director or an Executive Committee Member.

Each member of the Executive Committee has one vote. Pursuant to the Board Rules, members of the Executive Committee must endeavour to achieve that resolutions are as much as possible adopted unanimously. Where unanimity cannot be reached and Dutch law, the Articles of Association or the Board Rules do not prescribe a larger majority, resolutions of the Executive Committee are adopted by an absolute majority of the votes cast including the affirmative vote of the CEO. Resolutions of the Executive Committee can only be adopted in a meeting of the Executive Committee where at least the majority of the Executive Directors entitled to vote, including the CEO, are present or represented. In the case of a tie vote, the Board shall decide upon the matter concerned (see also "*—Board—Board meetings and decisions*").

Pursuant to the Board Rules, resolutions of the Executive Committee can also be adopted without holding a meeting, provided those resolutions are adopted in writing or in a reproducible manner by electronic means of communication and all Executive Directors and Executive Committee Members entitled to vote have consented to adopting the resolutions outside a meeting. Pursuant to the Board Rules, Executive Committee Members are subject to the same rules as Directors in relation to conflicts of interests as described above under "*—Board—Conflict of interest*").

The Executive Directors retain the authority to adopt resolutions within the scope of the authority of the Executive Committee without the participation of the Executive Committee Members.

On the Settlement Date, the Executive Committee will comprise Mr. Remon Vos, Mr. Richard Wilkinson, Mr. Jan Evert Post, Ms. Ana Dumitrache, Mr. David Chládek and Mr. David Huszlicska. See "*—Directors—CVs Directors*" for the CVs of Mr. Vos and Mr. Wilkinson.

Jan Evert Post

Mr. Post is the Group's head of funding and investor relations and is a managing director of CTP Holding B.V., CTP Partners B.V. and Multivest B.V. ("**Multivest**"). Prior to joining the Group, Mr. Post was the chief financial officer and chief operating officer of HumanKind, a Dutch foundation providing nationwide children's day care services, from May 2017 to June 2019. Prior to this, he worked for 14 years at ING Group N.V., where he held various managing director positions in real estate and structured finance departments, including as part of ING's real estate finance's global management team responsible for international markets including CEE. Whilst at ING, Mr. Post worked with the Company for more than six years. Furthermore Mr. Post worked for 11 years at MeesPierson N.V., a Netherlands-based merchant bank. Mr. Post holds an MBA and BBA degree from the Nyenrode Business University in Breukelen. Furthermore, he holds an advisory role at CFO Capabel, an organisation that provides CFO services on interim- and part time basis to medium sized businesses throughout the Netherlands.

Ana Dumitrache

Mrs. Dumitrache has been the country head for Romania since January 2019. Before that, she was country co-head for Romania from 2017. She is responsible for the Group's operations in Romania and for maintenance and growth of the Group's portfolio. Prior to joining the Group, Mrs. Dumitrache was a senior structured finance, project finance and real estate banker mainly with Austrian financial groups, most recently at Banca Comercială Română, part of Erste Group, where she was head of the real estate finance division in Romania for nine years. She was also a general manager of Erste Group Immorent S.A. and head of investment property capital markets at CBRE Real Estate Consultancy SRL. She holds a bachelor's degree in journalism and communication science from the University of Bucharest and an MBA degree in finance from the City University of Seattle.

David Chládek

Mr. Chládek joined CTP in 2010. Before becoming country head of the Czech Republic in 2020, he grew from project manager to regional project manager for Moravia, responsible for construction and business development of CTP's portfolio in the region. As country head, Mr. Chládek is responsible for all development projects in the Czech Republic, which holds over 65% of the Group's overall portfolio. Mr. Chládek has 21 years of relevant experience in the construction industry as well as in retail and industrial development. He holds an MBA in Strategic Management from the International Business School in Brno and a degree in Civil Engineering from the Technical University of Ostrava.

David Huszlicska

Mr. Huszlicska is country head for Hungary. He joined CTP in 2017 as senior business developer, later becoming business development director, and has participated actively in the doubling of the Hungarian portfolio since joining the company. He is now responsible for CTP's operations in Hungary, and is tasked with achieving the target KPIs of the Hungarian operation while maintaining codes of conduct, compliance and sustainability. Prior to joining the Group, Mr. Huszlicska worked for more than four years at CIB Bank, the Hungarian subsidiary of Intesa SanPaolo, participating in the management and divestment of one of the largest real estate portfolios in Hungary at the time. Mr. Huszlicska also spent five years with Colliers International Hungary, gaining experience both in the capital markets and industrial sectors. Mr. Huszlicska holds a bachelor's degree in communication and media studies from Budapest Metropolitan University.

Board committees

The Board has an audit committee (the "**Audit Committee**") and a nomination and remuneration committee (the "**Nomination and Remuneration Committee**"). Each of the committees has a preparatory and/or advisory role to the Board. Each committee has a charter on its role, responsibilities and functioning, which charter will be in effect as of the Settlement Date. The committees consist of Non-Executive Directors who are appointed for such committees by the Non-Executive Directors. The committees report their findings to the Board, which is ultimately responsible for all decision-making.

Audit Committee

The duties of the Audit Committee include the supervision and monitoring as well as advising the Board and each Director regarding the integrity and quality of the Company's financial report and the effectiveness of the Company's internal risk management and control systems. The Audit Committee advises the Board on the exercise of certain of its duties and prepares nominations and reviews for the Board in this regard. The Audit Committee also supervises the submission of financial information by the Company, the compliance with recommendations of internal and external accountants, the Company's policy on tax planning, the Company's financing arrangements, and assists the Board with the Company's information and communications technology. It furthermore maintains regular contact with and supervises the external accountant and it prepares the nomination of an external accountant for appointment by the General Meeting. The Audit Committee also issues preliminary advice to the Board regarding the approval of the Annual Accounts and the annual budget and major capital expenditures. The Audit Committee meets as often as required for a proper functioning of the Audit Committee, and whenever one or more of its members request such meeting, but in any event at least four times a year.

On the Settlement Date, the Audit Committee shall consist of Gerard van Kesteren and Susanne Eickermann-Riepe.

The charter for the Audit Committee is published on the Company's website under www.ctp.eu.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee advises the Board on the exercise of its duties regarding the selection and appointment of Directors and senior management, including the Executive Committee Members, and on the remuneration policy of the Directors, and preparing proposals for the Board on these subjects. The duties of the Nomination and Remuneration Committee include preparing the selection criteria and appointment procedures for Directors, and proposing the composition profile for the Board. It also periodically assesses the scope and composition of the Board, and the functioning of the individual Directors. The Nomination and Remuneration Committee also proposes appointments and reappointments. It supervises the Board's policy on selection criteria and appointment procedures for Directors and senior management, including the Executive Committee Members.

Furthermore, the duties of the Nomination and Remuneration Committee include the preparation of proposals of the Board on the remuneration policy for the Directors to be adopted by the General Meeting, on the remuneration of the individual Executive Directors to be determined by the Non-Executive Directors. The Nomination and Remuneration Committee also prepares a remuneration report on the execution of the remuneration policy for the Board during the respective year to be adopted by General Meeting. The General Meeting has an annual advisory vote on the remuneration report. The Nomination and Remuneration Committee meets whenever one or more of its members request such meeting and at least twice a year.

On the Settlement Date, the Nomination and Remuneration Committee shall consist of Pavel Trenka and Barbara Knoflach.

The charter for the Nomination and Remuneration Committee is published on the Company's website under www.ctp.eu.

Maximum number of supervisory and non-executive positions of directors

Restrictions apply with respect to the overall number of supervisory or non-executive positions that a managing director or supervisory director (including a one-tier board) of "large Dutch companies" may hold. The term "large Dutch companies" applies to Dutch public limited liability companies, Dutch private limited liability companies and Dutch foundations that meet at least two of the following three criteria: (i) the value of the company's/foundation's assets according to its balance sheet together with explanatory notes, on the basis of the purchase price or manufacturing costs exceeds EUR 20 million; (ii) its net turnover in the applicable year exceeds EUR 40 million; and (iii) its average number of employees in the applicable year is 250 or more.

Note that the terms "large Dutch companies" as defined in this paragraph and the "large company regime" (*structuurregime*) as referred to under "*—Management Structure*" refer to different concepts.

A person cannot be appointed as a managing or executive director of a "large Dutch company" if he or she already holds a supervisory or non-executive position at more than two other "large Dutch companies" or if he or she is the chairperson of the supervisory board or one-tier board of another "large Dutch company". Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if he or she already holds a supervisory position or non-executive at five or more other "large Dutch companies", whereby the position of chairperson of the supervisory board or one-tier board of another "large Dutch company" is counted twice.

The Company meets the criteria of a large Dutch company; all Directors comply with these rules.

Diversity

On 11 February 2021, a bill (*Wetsvoorstel inzake evenwichtige man vrouw verhouding in de top van het bedrijfsleven*) introducing stricter gender diversity measures was adopted by the Second Chamber of the Dutch House of Representatives (*Tweede Kamer*). The bill is expected to enter into force in 2021. Once the bill enters into force, Dutch listed companies will have to comply with a quota of at least one-third for both women and men on supervisory boards. In a one-tier board this one-third quota shall be applicable to non-executive directors. The quota will apply to new appointments, i.e. companies can reappoint a supervisory or non-executive director without complying with the one-third quota, but only where this happens within eight years after the year of the supervisory or non-executive director's first appointment. A new appointment not in accordance with the one-third quota will in principle be regarded as null and void (*nietig*). As a result, the person in question will not become a supervisory or non-executive director of the company.

As of the date of this Prospectus, the Company would comply with these new rules if they would be in force as described in the bill as there are two Non-Executive Directors that are men and two Non-Executive Directors that are female.

Potential conflicts of interest and other information

The Company is aware of the fact that the Founder serves as Executive Director, while the Founder will continue to be an (indirect) majority Shareholder (see "*Sole Shareholder and Related Party Transactions—Sole Shareholder*"). Accordingly, the Founder may through its (indirect) vote in the General Meeting support strategies and directions that are in its best interests, which may conflict with the interests of the Company and the other Shareholders (see "*Risk Factors—Risk related to the structure of the Company—The Group's controlling shareholder will retain the ability to exercise control over matters requiring shareholder approval and its interests may conflict with the interests of the Company and the other Shareholders.*"). Other than these circumstances, there are as of the date of this Prospectus no potential conflicts between the personal interests or other duties of the Directors or Executive Committee Members on the one hand and the interests of the Company on the other hand. There is no family relationship between any Director or any Executive Committee Member.

During the last five years, none of the Directors or Executive Committee Members: (i) has been convicted of fraudulent offenses; (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation; or (iii) has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

The Company is not aware of any arrangement or understanding with major Shareholders, suppliers, customers or others pursuant to which any Director or Executive Committee Member was selected as a member of such management or supervisory bodies or member of senior management of the Company.

Board remuneration

The Company has a policy in respect of the remuneration of the Executive Directors and the Non-Executive Directors. The Non-Executive Directors are responsible for the implementation and monitoring of the remuneration policy. The General Meeting adopts the remuneration policy for the Executive Directors and Non-Executive Directors upon proposal of the Board. The General Meeting adopted and approved the remuneration policy which will be effective as of the Settlement Date (the "**Remuneration Policy**"). Pursuant to the Articles of Association, the resolution of the General Meeting to adopt or make amendments to the Remuneration Policy requires a simple majority of votes.

Pursuant to the Articles of Association and the Board Rules, the Non-Executive Directors determine the remuneration of the individual Executive Directors in accordance with the Remuneration Policy, and arrangements for remuneration in the form of Shares or rights to subscribe for Shares as approved by the General Meeting effective as of the Settlement Date. The General Meeting determines the remuneration of the individual Non-Executive Directors in accordance with the Remuneration Policy.

Remuneration Policy components for Executive Directors

The Company's Remuneration Policy is designed to motivate, retain and attract high calibre senior talent and seeks to provide fair and competitive remuneration. The Remuneration Policy provides that the Company's remuneration should be fair and competitive against companies of a similar size, scope and complexity with a strong emphasis on variable pay to reflect the Company's highly performance-oriented and entrepreneurial culture, its growth ambitions and ensure outcomes align with the experience of shareholders.

The compensation package for the Executive Directors will consist of the following fixed and variable components which are discussed in more detail below:

- fixed annual base salary;
- annual bonus plan;
- long-term incentive plan; and
- pension and fringe benefits.

Mr. Remon Vos, the Chief Executive Officer, has a substantial shareholding in the Company, meaning there is already a clear and direct link between his reward and the Company's performance. Therefore, there are elements of the Remuneration Policy in which Mr. Remon Vos will not participate for the first financial year ending after the IPO (i.e., financial year 2021). The remuneration arrangements for Mr. Remon Vos will be kept under review by the Non-Executive Directors to ensure an appropriate balance is struck between his role as a CEO and as a founder shareholder.

As from the Settlement Date, the remuneration of the Executive Directors will be as follows:

	Mr. Remon Vos (CEO) (1)	**Mr. Richard Wilkinson (CFO)**
Fixed annual base salary	EUR 500,000	EUR 380,000
Annual bonus plan	(2)	150% of salary (target) 300% of salary (maximum)
Long-term incentive plan	(3)	100% of salary (target) 150% of salary (maximum)
Pension and fringe benefits	market standard benefits, such as the use of a company car, iPad and mobile phone(4)	market standard benefits, such as the use of a company car, laptop and mobile phone, as well as the local currency equivalent of EUR 1,500 monthly housing allowance(4)
Share ownership requirements ...	250% of salary(5) (built up over 5 years)	250% of salary (built up over 5 years)

(1) The remuneration for the CEO role will be reviewed in the event of a new hire.
(2) Mr Remon Vos will not participate in the annual cash bonus in the first financial year ending after the Settlement Date (i.e., financial year 2021).
(3) Mr Remon Vos will not participate in the long-term incentive plan in the first financial year ending after the Settlement Date (i.e., financial year 2021).
(4) The Executive Directors do not participate in any Company or Group pension plans.
(5) This represents the Remuneration Policy requirement for all Executive Directors. Given Mr Remon Vos' substantial shareholding in the Company, he already exceeds this requirement.

The discussion below sets out the Company's general policy on remuneration as it applies to Executive Directors.

Fixed annual base salary

The Company seeks to provide fair and competitive levels of base salary that will attract and retain senior executives and reflect their experience, roles and responsibilities within the organisation. The base salary of the Executive Directors is currently set around the lower quartile of remuneration levels payable within the Dutch listed peer group. There will be no increase to the salary of Mr. Remon Vos, the Chief Executive Officer, for the first financial year ending after the Settlement Date (i.e., financial year 2021).

The base salary for Executive Directors will be reviewed on an annual basis or when there is a change in position or responsibility. For Executive Directors who are new joiners, the Non-Executive Directors will set base salary levels taking into account the Company's positioning policy, the specific individual and their responsibilities, the general performance of the Company, as well as the economic environment. Base salary levels for the Executive Directors will be disclosed in the annual report of the Company.

Annual bonus plan

Each financial year, the Executive Directors are eligible for a short-term incentive in the form of an annual cash bonus. The Executive Directors are eligible for an "at target" annual bonus of 150% of base salary and a maximum bonus for outstanding performance is capped at 2 times the target amount equal to 300% of base salary. For each financial year, the Non-Executive Directors will determine the most appropriate performance measures and targets. Performance measures will be linked to the execution of the strategy and the creation of long-term value for shareholders and will be based on a scorecard of financial and non-financial measures. After the end of each financial year, the achievement of the performance targets will be formally evaluated and determined by the Non-Executive Directors. For the first financial year ending after the Settlement Date (i.e., financial year 2021), the Chief Executive Officer, Mr. Remon Vos, will not participate in the annual cash bonus. Under the Remuneration Policy, the Non-Executive Directors reserve the right to defer an element of the annual cash bonus into Shares in circumstances they consider appropriate. Deferral into Shares would be under the terms of the Deferred Incentive Plan ("**DIP**"). See "*—Share Plans*" below which sets out further details on the terms of the Company's share plans.

Annual cash bonuses are subject to certain claw back provisions. See "*—Adjustments to Variable Remuneration*".

Long-term incentive plan

Pursuant to the terms of the long-term incentive plan ("**LTIP**"), the Executive Directors may receive an annual award for Shares, which shall normally vest after a three-year performance period, subject to the achievement of certain pre-determined corporate performance conditions including financial and shareholder return based measures set by the Non-Executive Directors and remaining in employment. The LTIP award opportunity, which is used to determine the number of Shares over which an award is granted, is set at 100% of base salary for delivering "at target" performance. The maximum number of Shares that can be delivered under the LTIP award for delivering outstanding performance will be 1.5 times the number of Shares granted (i.e., 150% of LTIP award Shares granted). Therefore, the maximum LTIP award opportunity is equal to 150% of base salary at grant.

Mr. Remon Vos will not participate in the LTIP for the first financial year ending after the Settlement Date (i.e., financial year 2021). See section "*—Share plans*" below which sets out further details on the terms of the Company's share plans.

LTIP awards are subject to certain claw back provisions. See "*—Adjustments to Variable Remuneration*".

Pension and fringe benefits

As at the Settlement Date, the Executive Directors do not participate in any Company or Group pension plans.

The Executive Directors may also receive market standard benefits. Such benefits may include: health insurance, life insurance, car allowance, use of a company car, travel allowance, laptop, iPad and mobile phone devices, and workers' compensation for illness. The Group also pays additional benefits when specific business circumstances require it, for example, expatriate benefits (housing and travel allowance), relocation allowances and where applicable, reasonable tax advice and support and tax equalisation to offset double taxation.

Share ownership requirements

Share ownership requirements apply which would require Executive Directors to build or maintain (as appropriate) a minimum shareholding in the Company equivalent to 250% of base salary over 5 years. Under the Remuneration Policy, Shares that would be included in this calculation would be any shares beneficially owned by the Executive Director and any vested shares under the LTIP. Given Mr. Remon Vos' substantial shareholding in the Company, he already exceeds this requirement.

Severance arrangements

Service contracts may contain severance provisions which provide for compensation for the loss of income resulting from a termination of employment. See "—*Employment, service and severance agreements*".

Adjustments to variable remuneration

Pursuant to Dutch law, the remuneration of Executive Directors may be reduced, or Executive Directors may be obliged to repay (part of) their variable remuneration to the company. The Non-Executive Directors will have the discretionary power to adjust the value downwards or upwards of any variable remuneration component conditionally awarded to an Executive Director in a previous financial year if, in the opinion of the Non-Executive Directors, the value of the variable remuneration as granted would produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been applied. In addition, the Non-Executive Directors will have the authority under the Dutch Corporate Governance Code and Dutch law to recover from an Executive Director any variable remuneration awarded on the basis of incorrect financial or other data (claw back). The Non-Executive Directors may furthermore adjust the variable remuneration (to the extent that it is subject to reaching certain targets and the occurrence of certain events) to an appropriate level if payment of the variable remuneration were to be unacceptable according to the requirements of reasonableness and fairness.

Non-Executive Director Remuneration

The Remuneration Policy aims to attract, retain and fairly compensate Non-Executive Directors with the required background, skills and experience. The remuneration of Non-Executive Directors reflects the time spent and responsibilities of the roles.

The Senior Independent Director will receive an annual fee of EUR 150,000. The other Non-Executive Directors will each receive an annual fee of EUR 75,000 for their services. The chairperson of the Audit Committee will receive an additional annual fee of EUR 20,000 and a member of the Audit Committee will receive an additional annual fee of EUR 15,000. The chairperson of the Nomination and Remuneration Committee will receive an additional annual fee of EUR 15,000 and a member of the Nomination and Remuneration Committee will receive an additional annual fee of EUR 10,000. Non-Executive Directors are also eligible to receive reimbursement of reasonable expenses incurred undertaking their duties. Under the Remuneration Policy, Non-Executive Directors will not be eligible to receive remuneration in the form of Shares or rights to receive Shares.

Share plans

The long-term incentive plan

The LTIP for the Directors and certain other eligible key employees is approved by the General Meeting and will be adopted by the Board with effect from the Settlement Date. The LTIP is a discretionary share plan. Pursuant to the Board Rules, the Non-Executive Directors are involved for the LTIP's implementation when this concerns the Executive Directors and, the Executive Directors are involved for any grants under the LTIP when this concerns eligible employees. Under the LTIP, the Non-Executive Directors or the Executive Directors as appropriate, may, within certain limits and subject to any applicable performance conditions, grant awards of Shares ("**LTIP Awards**"). LTIP Awards may be granted as nil cost awards and may take the form of options to acquire Shares, conditional rights to acquire Shares or an immediate award of Shares subject to restrictions. The LTIP may also be used to provide buy-out awards to compensate new employees for forfeited awards from the individual's previous employer. No payment is required for the grant of an LTIP Award (unless the Non-Executive Directors or the Executive Directors, as appropriate determine otherwise).

Shares to be issued under the LTIP Awards shall be issued by the Company, if the Board is authorised by the General Meeting to issue Shares, in accordance with Dutch law and the Articles of Association. The Executive Directors as well as other employees of the Group are eligible for selection to participate in the LTIP at the discretion of the Non-Executive Directors when this concerns the Executive Directors and the discretion of the Executive Directors when this concerns eligible employees.

The annual "at-target" LTIP Award opportunity, which is used to determine the number of Shares over which an award is granted, is set at 100 per cent. of base salary. The maximum number of Shares that can be delivered under the LTIP Award for delivering outstanding performance will be 1.5 times the number of Shares granted (i.e., 150 per cent. of LTIP Award Shares granted). Therefore, the maximum LTIP Award opportunity is equal to 150 per cent. of base salary at grant.

Performance conditions may be imposed on the vesting of LTIP Awards. Where performance conditions are specified for LTIP Awards, the underlying measurement period for such conditions will ordinarily be three years. Any performance conditions applying to LTIP Awards may be varied, substituted or waived if the Non-Executive Directors or the Executive Directors, as the case may be, consider it appropriate, provided it is considered that the new performance conditions are reasonable and are not materially less difficult to satisfy than the original conditions (except in the case of waiver). The Non-Executive Directors or the Executive Directors, as the case may be, may also impose other conditions on the vesting of LTIP Awards.

In line with the Dutch Corporate Governance Code and unless the Non-Executive Directors determine otherwise, LTIP Awards granted to Executive Directors will be subject to a holding period of at least two years following vesting. During this period, sale of the Shares is restricted, although Shares may be sold to cover taxes due as a result of vesting.

LTIP Awards will normally vest, and LTIP Options will normally become exercisable, on the third anniversary of the date of grant of the LTIP Award to the extent that the participant remains in employment and any applicable performance conditions have been satisfied. LTIP Awards in the form of options which have vested will normally remain exercisable for a period determined at grant which shall not exceed 10 years from grant. Participants may receive additional Shares or cash equivalent to dividends that would have been paid during the vesting period on LTIP Award Shares which vest.

Participants who leave the Group may retain some or all of their LTIP Awards in such events as death, disability, retirement with the consent of the Non-Executive Directors if the participant is an Executive Director and with the consent of the Executive Directors for each other participant, and other circumstances in which the Non-Executive Directors or the Executive Directors as appropriate, deem the participant to be a good leaver. LTIP Awards may vest early on certain corporate events.

The Non-Executive Directors where this concerns the Executive Directors and the Executive Directors where this concerns eligible employees of the Group, may vary the number of Shares under LTIP Awards on variations of the Company's share capital and certain other corporate events to the extent this falls within the scope included in the LTIP which is approved by the General Meeting. The Board may amend the LTIP subject to the approval of the General Meeting where this is required.

The total number of Shares that may be newly issued or transferred from treasury in satisfaction of awards under the LTIP and the DIP may in aggregate not exceed 5 per cent. of the Company's issued and outstanding share capital from time to time. In order to mitigate dilution, the Company may repurchase Shares to cover the LTIP Awards granted.

The Deferred Incentive Plan

The DIP is approved by the General Meeting and will be adopted by the Board, both with effect from the Settlement Date. The DIP is a discretionary plan which may operate with one or more incentive plans operated by the Group and provides a mechanism for the deferral of part of a participant's incentive into a deferred award of cash and/or a deferred award of Shares ("**DIP Award**"). DIP Awards in the form of cash may be made in respect of a notional number of Shares with the deferred cash payment amount increased to take account of any increase in the Share price over the vesting period or in respect of a notional number of Shares with the deferred cash payment amount taking account of the change in the Share price over the vesting period. DIP Awards which are granted over Shares may be granted as nil cost awards and may take the form of options to acquire Shares, conditional rights to acquire Shares or an immediate award of Shares subject to restrictions.

Shares to be issued under the DIP Awards shall be issued by the Company, if the Board is authorized by the General Meeting to issue Shares, in accordance with Dutch law and the Articles of Association. Employees of the Group and in special circumstances, Executive Directors, are eligible for selection to participate in the DIP at the discretion of the Executive Directors when this concerns the employees of the Group and the Non-Executive Directors when this concerns the Executive Directors. No payment is required for the grant of a DIP Award (unless the Non-Executive Directors or the Executive Directors as appropriate determine otherwise).

DIP Awards which are in the form of Shares will vest on a date or dates determined on grant. DIP Awards in the form of options which have vested will normally remain exercisable following vesting for the period set by the Non-Executive Directors for DIP Awards granted to Executive Directors or the Executive Directors for DIP Award granted to an employee of the Group, in each case not exceeding 10 years from grant. Participants may receive additional Shares or cash equivalent to dividends that would have been paid during the vesting period on DIP Award Shares which vest.

Participants who leave the Group will forfeit their DIP Awards unless and to the extent that the Executive Directors when this concerns an employee of the Group or the Non-Executive Directors when this concerns an Executive Director, otherwise determine. DIP Awards may vest early on certain corporate events.

The Non-Executive Directors where this concerns the Executive Directors and the Executive Directors where this concerns eligible employees of the Group may vary the number of Shares under DIP Awards on variations of the Company's share capital and certain other corporate events to the extent this falls within the scope included in the DIP which is approved by the General Meeting. The Board may amend the DIP subject to the approval of the General Meeting where this is required.

The total number of Shares that may be newly issued or transferred from treasury in satisfaction of awards under the LTIP and the DIP may in aggregate not exceed 5 per cent. of the Company's issued and outstanding share capital from time to time. In order to mitigate dilution, the Company may repurchase Shares to cover DIP Awards granted in the form of Shares.

Remuneration for the Directors in 2020

The remuneration of Remon Vos and Richard Wilkinson, the managing directors of the Company in 2020, was comprised of a fixed and variable part and included base salary, a bonus, post-employment benefits, long term incentive plan benefits and other long term benefits. The total gross aggregate remuneration (including social and health insurance contributions) paid in 2020 to the managing directors of the Company amounted to the local currency equivalent of EUR 2,025,644. In addition, during the financial year ended 31 December 2020, the following benefits in kind were provided to the managing directors of the Company: use of a company car, laptop, iPad and mobile phone, as well as the local currency equivalent of EUR 1,500 monthly housing allowance. In 2020, no amounts were set aside for pension, retirement or similar benefits (see "*—Pension schemes*"). The Non-Executive Directors were not in office during 2020, so did not receive any remuneration in the financial year ended 31 December 2020.

Remuneration for the Executive Committee Members in 2020

The remuneration of Jan Evert Post, Ana Dumitrache, David Chládek and David Huszlicska in 2020 was comprised of a fixed and variable part and included base salary, a bonus, post-employment benefits, long term incentive plan benefits and other long-term benefits. The total gross aggregate remuneration (including social and health insurance contributions) paid in 2020 to the Executive Committee Members amounted to the local currency equivalent of EUR 587,940. In addition, during the financial year ended 31 December 2020, the following benefits in kind were provided to the Executive Committee Members: a lease car, laptop, iPad and a mobile phone, as well as, in aggregate, the local currency equivalent of EUR 5,000 annual housing allowance. In 2020, no amounts were set aside for pension, retirement or similar benefits (see "—*Pension schemes*").

Equity Holdings

Equity holdings Directors

As of the date of this Prospectus, the Founder is the only Director to hold Shares (indirectly), as set forth in the table below. None of the Directors hold stock options as of the date of this Prospectus.

Name	***Total Shares***
The Founder	336,000,000

Equity holdings Executive Committee Members

The Executive Committee Members do not hold Shares or stock options as of the date of this Prospectus.

Employment, service and severance agreements

As of the date of this Prospectus, the managing directors of the Company are employed by CTP Invest spol. s.r.o. The terms and conditions of employment are governed by Czech employment law. Each envisaged Director is expected to enter into a service agreement (*overeenkomst van opdracht*) with the Company, effective as of the Settlement Date. The terms and conditions of these service agreements have been aligned with the relevant provisions in the current employment agreements when this concerns the Executive Directors, and the Code. However, the service contract for Remon Vos will be entered into for an indefinite term. The contracts for the Executive Directors will also contain severance provisions which provide for compensation for the loss of income resulting from a termination of employment, resulting in a total of up to six months gross base salary, in addition to a notice period of three months. The service contracts for the Non-Executive Directors will terminate with immediate effect as per the moment the relevant Non-Executive Director ceases to be a Non-Executive Director without any compensation being required.

Liability of Directors

Under Dutch law, the Directors may be liable towards the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles of Association or of certain provisions of the BW. In addition, they may be liable towards third parties for infringement of certain provisions of the BW. In certain circumstances, they may also incur additional specific civil and criminal liabilities.

Insurance

The Directors and Executive Committee Members are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as directors or members of the Executive Committee.

Indemnification

Pursuant to the Articles of Association, and unless Dutch law provides otherwise, current and former Directors will be indemnified, held harmless and reimbursed by the Company for: (i) the reasonable costs of conducting a defence against claims resulting from an act or omission in performing their duties or in performing other duties the Company asked them to fulfil; (ii) any costs, financial losses, damages, compensation or financial penalties they owe in connection with an act or omission as referred to under (i); (iii) any amounts they owe under settlements they have reasonably entered into in connection with an act or omission as referred to in (i); (iv) the reasonable costs of other proceedings in which they are involved as current or former Directors, with the exception of proceedings in which they are primarily asserting their own claims; and (v) tax damage due to reimbursements in accordance with the foregoing.

Under the Articles of Association, the Board may stipulate additional terms, conditions and restrictions in relation to the indemnification described above.

There shall be, however, no entitlement to the indemnification and reimbursement if and to the extent that: (i) it has been established in a final and non-appealable decision of the competent court or, in the event of arbitration, of an arbitrator, that the act or omission of the indemnified person can be described as wilful (*opzettelijk*), wilfully reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*). In that case the indemnified person must immediately repay the sums advanced or reimbursed by the Company, unless Dutch law provides otherwise or this would, in the given circumstances, be unacceptable according to standards of reasonableness and fairness; (ii) the costs, financial losses, damages, compensation or financial penalties owed by the indemnified person are covered by an insurance policy and the insurer has paid out these costs, financial losses, damages, compensation, or financial penalties; or (iii) the indemnified person failed to notify the Company in writing as soon as reasonably possible of the costs, financial losses, damages, compensation or financial penalties or of the circumstances that could lead to the incurrence thereof.

The indemnified person shall comply with the Company's instructions regarding the defence strategy and coordinate the defence strategy with the Company beforehand to the extent this relates to a third party claim. The indemnified person requires the Company's prior written consent for: (i) acknowledging personal liability, (ii) deciding not to put up a defence, and (iii) entering into a settlement.

Pension schemes

As of the Settlement Date, the Company does not have any pension schemes.

Works council

As of the Settlement Date, no works council has been established.

Employees

The table below provides an overview of the average numbers of employees of the Group, subdivided per geographic segment. These numbers are measured in FTEs (excluding associates).

	Average numbers of FTE of the Group		
Geographic subdivision of employees	**2020**	**2019**	**2018**
Czech Republic	233.1	225.0	217.0
Slovakia	26.2	20.0	18.6
Hungary	39.8	19.1	17.2
Romania	60.7	70.0	61.5
Serbia	11.2	5.0	3.7
Other countries	8.3	6.0	6.0
Total	**379.3**	**345.1**	**324.0**

Since 31 December 2020, there have been no significant changes in the number of FTEs employed by the Group.

Corporate resolutions

It is expected that on the Settlement Date, the General Meeting will adopt a resolution to issue up to 61,017,000 New Shares and to exclude all pre-emptive rights accruing to Shareholders in relation to the issuance of these New Shares. The issuance of New Shares and the delivery of the Offer Shares will take place on the Settlement Date. See also "*The Offering—Timetable*" and "*The Offering—Payment*".

Corporate governance code

The Dutch Corporate Governance Code applies to all Dutch companies listed on a government-recognised stock exchange, whether in the Netherlands or elsewhere. The Code therefore applies to the Company. The Code contains a number of principles and best practice provisions in respect of the board, shareholders and the general meeting, financial reporting, auditors, disclosure, compliance and enforcement standards.

The Company is required to disclose in its management report in its annual report whether or not it applies the provisions of the Code and, if it does not apply those provisions, to explain the reasons why.

Compliance with the Code

The Company acknowledges the importance of good governance. The Company agrees with the general approach and is committed to adhering to the best practices of the Code as much as possible. The Company fully complies with the Code, with the exception of the following provision:

- Best practice provision 2.2.1 prescribes that a director is appointed for a maximum period of four years. The Founder has been appointed as Executive Director for an indefinite period of time and may be unlimitedly re-appointed in light of the Founder's desire to continue an active role in the Board as long as possible in order to safeguard the Company's long-term strategy.
- Best practice provision 4.3.3 prescribes that the general meeting of a company not having the large company regime (*structuurregime*) may pass a resolution to dismiss a member of the Board by an absolute majority of the votes cast. It may be provided that this majority should represent a given proportion of the issued capital, which proportion may not exceed 1/3. The Articles of Association state that if a dismissal was not proposed by the Non-Executive Directors, then the General Meeting can only dismiss a Director with a two-thirds majority of the votes cast, representing more than half of the issued share capital.

DESCRIPTION OF SHARE CAPITAL

The following paragraphs summarise information concerning the Company's share capital and material provisions of the Articles of Association and applicable Dutch law. This section summarises the Articles of Association as these will be in effect as of the Settlement Date.

The Articles of Association in the governing Dutch language and in an unofficial English translation thereof are available on the Company's website (www.ctp.eu). See also "*Management, Employees and Corporate Governance*" for a summary of material provisions of the Articles of Association, Board Rules and Dutch law relating to the Board.

General

The Company was incorporated as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands on 21 October 2019 and was named CTP B.V. The Company will be converted to a public limited liability company (*naamloze vennootschap*) on the Settlement Date pursuant to a notarial deed of conversion and amendment of the articles of association of the Company in accordance with a resolution of the General Meeting expected to be adopted on or prior to the Settlement Date (the "**Deed of Amendment**"). Following the execution of the Deed of Amendment, the legal and commercial name of the Company will be CTP N.V. The seat of the Company will be in Utrecht, the Netherlands and address at Van Deventerlaan 31, 3528 AG Utrecht, the Netherlands. The Company's telephone number is +31 (0)85 27 31 294 and its website is www.ctp.eu. The Company is registered in the Commercial Register of the Netherlands Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 76158233 and its legal entity identifier ("**LEI**") is 3157000YTVO4TN65UM14.

Corporate purpose

Pursuant to article 2.2.1 of the Articles of Association, the objects of the Company are:

a) to invest in real property through the acquisition, development, construction, leasing out, ownership of land, buildings, and other property assets and property rights, as well as the lease of real property,

b) the management, renting out, leasing and divestment, of real property and other assets;

c) to incorporate, participate in and conduct the management of other companies and enterprises;

d) to render management, financial, administrative, commercial or other services to other companies, persons and enterprises;

e) to finance other companies and enterprises;

f) to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other financial instruments and to enter into agreements in connection with aforementioned activities;

g) to grant guarantees, to bind the Company and to pledge or otherwise encumber assets for obligations of the Company, Subsidiaries and third parties; and

h) to invest in, to acquire, to transfer, to dispose of, to manage and to operate real property, personal property, shares, bonds, securities and other goods, including patents, trademark rights, licences, permits and other industrial property rights, to manage pension funds, and to perform all activities and developing projects that may be conducive to the achievement of the foregoing;

and finally all activities which in the broadest sense relate to or promote the objects.

Share capital

Authorised and issued share capital of the Company

As of the date of this Prospectus, the issued share capital of the Company amounts to EUR 53,760,000 and consists of 336,000,000 Existing Shares with a nominal value of EUR 0.16 each. At the date of this Prospectus, there is no authorised capital and all Existing Shares are fully paid-up. After the execution of the Deed of Amendment, the authorised share capital of the Company will amount to EUR 256,000,000 and will consist of 1,600,000,000 Shares with a nominal value of EUR 0.16 each.

The net asset value per Share (*i.e.*, the total net assets of the Company divided by 336,000,000 Existing Shares) as of the date of the latest balance sheet (*i.e.*, 31 December 2020) before the Offering is EUR 6.74. The Offer Price is expected to be set within the range of EUR 13.50 to EUR 16.00 (inclusive) per Offer Share.

As of the date of this Prospectus, no Shares are held by the Company. At the date of this Prospectus, all issued Shares are fully paid-up and are subject to, and have been issued under, the laws of the Netherlands.

History of share capital

Since its incorporation and prior to the Settlement Date, the Company has issued or converted the following Shares in accordance with the provisions in the BW:

Date	**Number of Shares**
21 October 2019	Issuance of 100 shares, each with a nominal value of EUR 0.01
23 April 2020	Issuance of 19,999,900 shares, each with a nominal value of EUR 0.01
28 December 2020	Conversion of all 20,000,000 shares with a nominal value of EUR 0.01 into 20,000,000 shares, each with a nominal value of EUR 0.16
28 December 2020	Issuance of 316,000,000 shares, each with a nominal value of EUR 0.16

As a result of the share issuances in 2020, the number of issued shares increased with 335,999,900 shares, from 100 shares on 1 January 2020 to 336,000,000 shares on 31 December 2020.

Shareholders register

The Shares are in registered form (*op naam*). No share certificates (*aandeelbewijzen*) are or may be issued. If requested, the Board will provide a Shareholder, usufructuary or pledgee of such Shares with an extract from the Company's shareholders' register relating to his, her or its title to a Share free of charge. If the Shares are encumbered with a right of usufruct (*vruchtgebruik*) or a right of pledge (*pandrecht*), the extract will state to whom such rights will fall to. The shareholders' register of the Company is kept by the Board.

The Company's shareholders' register records the names and addresses of the Shareholders, the number of Shares held, the date on which the Shares were acquired, the date of acknowledgement and/or service upon the Company of the instrument of transfer, the amount paid on each Share and the date of registration in the shareholders register. In addition, each transfer or passing of ownership is registered in the shareholders register. The shareholders register also includes the names and addresses of persons and legal entities with a right of pledge or a right of usufruct on those Shares, the date on which they acquired such a right and the date of acknowledgement or service upon the Company of the instrument of transfer.

Any shares as referred to in the Dutch Securities Giro Transactions Act (*Wet giraal effectenverkeer*), including the Offer Shares, which are included in the giro system as referred to in the Dutch Securities Giro Transaction Act will be registered in the name of Euroclear Netherlands or the relevant intermediary as referred to in the Dutch Securities Giro Transactions Act.

Issuance of shares

The General Meeting, or the Board, to the extent so authorised by the General Meeting for a specific period with due observance of the applicable statutory provisions, may resolve to issue Shares. A resolution of the Board to issue Shares requires the consenting vote of at least a majority of the Non-Executive Directors entitled to vote. This also applies to the granting of rights to subscribe for Shares, such as options, but is not required for an issue of Shares pursuant to the exercise of a previously acquired right to subscribe for Shares. The authorisation may be extended by specific consecutive periods with due observance of applicable statutory provisions. The Company may not subscribe for its own Shares on issue.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Settlement Date, the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, is authorised by the General Meeting for a period of 18 months following the Settlement Date to resolve to issue Shares and to grant rights to subscribe for Shares. Aforementioned authorisation of the Board is limited to 10 per cent. of the total nominal issued share capital of the Company as of the Settlement Date.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Settlement Date, the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, is authorised by the General Meeting to resolve to issue Shares and grant rights to subscribe for Shares for up to such amount as required with a view to facilitate for an interim scrip dividend regarding the financial year 2021 if the Board decides to provide for such interim dividend, with due observance of the Articles of Association and the Board Rules. Aforementioned authorisation is limited to such number of Shares as reflected on by Shareholders when offered to receive such interim dividend (partly) in cash or (partly) in the form of Shares.

Prior to or on the Settlement Date, the General Meeting will further adopt a resolution to issue the New Shares.

Pre-emptive rights

Upon issue of Shares or grant of rights to subscribe for Shares, each Shareholder shall have a pre-emptive right in proportion to the aggregate nominal amount of his, her or its Shares. Shareholders do not have pre-emptive rights in respect of Shares issued (i) to employees of the Company or of a Group Company; (ii) against payment other than in cash; or (iii) to a person exercising a previously acquired right to subscribe for Shares. These pre-emptive rights and non-applicability of pre-emptive rights also apply in case of the granting of rights to subscribe for Shares.

Pre-emptive rights may be limited or excluded by the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, if the Board is authorised by the General Meeting to do so. If the Board has not been authorised to limit or exclude pre-emptive rights, the General Meeting has the power to limit or exclude pre-emptive rights. The designation will only be valid for a specific period and may be extended by specific consecutive periods with due observance of applicable statutory provisions. Unless provided otherwise in the designation, the designation cannot be withdrawn.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Settlement Date, the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, is authorised for a period of 18 months following the Settlement Date, to resolve to restrict or exclude pre-emptive rights of shareholders in relation to the issue of, or grant of rights to subscribe for, Shares for which it was authorised by the General Meeting to resolve upon as described above. Aforementioned authorisation of the Board is limited to 10 per cent. of the total nominal issued share capital of the Company as of the Settlement Date.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Settlement Date, the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, is authorised to resolve to restrict or exclude pre-emptive rights of Shareholders in relation to the issue of Shares and grants of rights to subscribe for Shares for up to such amount as required with a view to facilitate for an interim scrip dividend regarding the financial year 2021 if the Board decides to provide for such interim dividend, with due observance of the Articles of Association and the Board Rules. Aforementioned authorisation is limited to such number of Shares as reflected on by Shareholders when offered to receive such interim dividend (partly) in cash or (partly) in the form of Shares.

Prior to or on the Settlement Date, the General Meeting will further adopt a resolution to exclude pre-emptive rights with regard to the issue of the New Shares.

Acquisition by the Company of its Shares

The Company may acquire fully paid-up Shares at any time for no consideration or, subject to Dutch law and the Articles of Association if: (i) the distributable part of the Shareholders' equity is at least equal to the total purchase price of the repurchased Shares; (ii) the aggregate nominal value of the Shares which the Company acquires, holds or holds as pledge or which are held by a subsidiary does not exceed 50 per cent. of the issued share capital; and (iii) the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, has been authorised by the General Meeting to repurchase Shares. The General Meeting's authorisation is valid for a specific period with due observance of applicable statutory provisions. As part of the authorisation, the General Meeting must specify the number of Shares that may be acquired, the manner in which the Shares may be acquired and the price range within which the Shares may be acquired. Acquisition by the Company of Shares that are not paid-up or only partially paid-up is null and void.

No authorisation from the General Meeting is required for the acquisition of fully paid up Shares for the purpose of transferring these Shares to employees of the Company or of a Group Company pursuant to any applicable equity plan, provided that the Shares are quoted on an official list of a stock exchange.

The Company may not cast votes on, and is not entitled to dividends paid on, Shares held by it nor will such Shares be counted for the purpose of calculating a voting quorum. Pledgees or usufructuaries of a Share owned by the Company or a subsidiary are not excluded from exercising voting rights if the right of pledge or usufruct was created before the Share was owned by the Company or such subsidiary and the voting rights were transferred to the respective pledgee or usufructuary. For the computation of the profit distribution, the Shares held by the Company in its own capital shall not be included. The Board is authorised, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, to dispose of the Company's own Shares held by it.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Settlement Date, the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, will be authorised by the General Meeting to resolve to repurchase fully paid-up Shares. Aforementioned authorisation of the Board is limited to 10 per cent. of the total nominal issued share capital of the Company as of the Settlement Date and will be valid for 18 months following the Settlement Date. Shares may be acquired at the stock exchange or otherwise, at a price between the nominal value and 110 per cent. of the opening price at Euronext Amsterdam at the date of acquisition.

Transfer of Shares

A transfer of a Share (not being, for the avoidance of doubt, a Share held through the system of Euroclear Nederland) or the creation of a restricted right (*beperkt recht*) thereto requires a deed drawn up for that purpose and the acknowledgment of the transfer by the Company in writing. Such acknowledgement is not required if the Company itself is a party to the deed. The same applies to the creation of a right of pledge or right of usufruct on a Share, provided that a right of pledge may also be created without acknowledgement by or service of notice on the Company, subject to the relevant provisions of the law.

If a Share is transferred for inclusion in a collective depot, the transfer will be accepted by the intermediary concerned. If a Share is transferred for inclusion in a giro depot, the transfer will be accepted by the central institute, being Euroclear Nederland. Upon issue of a new Share to Euroclear Nederland or to an intermediary, the transfer and acceptance in order to include the Share in the giro depot or the collective depot will be effected without the cooperation of the other participants in the collective depot or the giro depot, respectively. A Share included in the collective depot or giro depot shall be recorded in the shareholders' register of the Company in the name of Euroclear Nederland or the relevant intermediary. Depot shareholders are not recorded in the shareholders' register of the Company.

Shares included in the collective depot or giro depot can only be delivered from a collective depot or giro depot with due observance of the related provisions of the Dutch Securities Giro Transactions Act. The transfer by a depot shareholder of its book-entry rights representing such Shares shall be effected in accordance with the provisions of the Dutch Securities Giro Transactions Act. The same applies to the establishment of a right of pledge and the establishment or transfer of a usufruct on these book-entry rights.

Capital reduction

Subject to the provisions of Dutch law and the Articles of Association, the General Meeting may, at the proposal of the Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, resolve to reduce the issued share capital by (i) reducing the nominal value of the Shares through an amendment of the Articles of Association; or (ii) cancellation of Shares held by the Company itself. A resolution of the General Meeting to reduce the share capital requires a majority of at least a two-thirds majority of the votes cast if less than half of the issued share capital is represented at the General Meeting. If half or more of the issued share capital is represented at the General Meeting, the resolution of the General Meeting requires a simple majority of the votes cast. A reduction of the nominal value of Shares, with or without repayment must be made pro rata on all Shares concerned. This pro rata requirement may be waived if all Shareholders concerned so agree. In addition, Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the issued share capital shall not take effect as long as creditors have legal recourse against the resolution.

Dividends and other distributions

General

The Company may only make distributions, whether a distribution of profits or of freely distributable reserves, to its Shareholders if its Shareholders' equity exceeds the sum of the paid-up and called-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association. See "*Dividends and Dividend Policy*" for a more detailed description regarding dividends.

Annual profit distribution

A distribution of profits other than an interim distribution is only allowed after the adoption of the Company's annual accounts (i.e., non-consolidated) by the General Meeting, and the information therein will determine if the distribution of profits is legally permitted for the respective financial year.

Right to reserve

The Board may resolve to reserve the profits or a part of the profits realised during a financial year. The profits remaining after being allocated to the reserves shall be put at the disposal of the General Meeting. The Board, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, shall make a proposal for that purpose.

Furthermore, the Board may, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, decide that payments to the Shareholders shall be at the expense of reserves which the Company is not prohibited from distributing by virtue of Dutch law or the Articles of Association.

Interim distribution

Subject to Dutch law and the Articles of Association, the Board may, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, resolve to make an interim distribution of profits provided that it appears from an interim statement of assets and liabilities signed by the Board that the Company's equity does not fall below the sum of called-up and paid-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association.

Distribution in kind

The Board may, with the consenting vote of at least a majority of the Non-Executive Directors entitled to vote, decide that a distribution on Shares shall not take place as a cash payment but as a payment in the form of Shares, or decide that shareholders shall have the option to receive a distribution as a cash payment and/or as a payment in Shares, provided that the Board is designated by the General Meeting to do so.

Profit ranking of the Shares

All of the Shares issued on the day following the Settlement Date will rank equal.

In the event of insolvency, any claims of the holders of Shares are subordinated to those of the creditors of the Company. This means that an investor could potentially lose all or part of its invested capital.

Payment

Payment of any future dividend on Shares in cash will in principle be made in euro. Any dividends on Shares that are paid to Shareholders through Euroclear Nederland will be automatically credited to the relevant Shareholders' accounts. There are no restrictions in relation to the payment of dividends under Dutch law in respect of holders of Shares who are non-residents of the Netherlands. However, see "*Taxation*" for a discussion of certain aspects of taxation of dividends and refund procedures for non-residents of the Netherlands. Payments of profit and other payments are announced in a notice by the Company. Dividends and distributions that have not been claimed upon the expiry of five years and one day after the date when they became payable will be forfeited to the Company and will be carried to the reserves of the Company.

Exchange controls and other provisions relating to non-Dutch Shareholders

Under Dutch law, subject to the 1977 Sanction Act (*Sanctiewet 1977*) or otherwise by international sanctions, there are no exchange control restrictions on investments in, or payments on, Shares (except as to cash amounts). There are no special restrictions in the Articles of Association or Dutch law that limit the right of Shareholders who are not citizens or residents of the Netherlands to hold or vote on Shares.

General meetings and voting rights

General meetings

General Meetings must be held in the municipality of Utrecht or in Amsterdam, the municipality of Haarlemmermeer (Schiphol Airport), Rotterdam, Eelde or Eindhoven, the Netherlands. The annual General Meeting must be held at least once a year, within six months after the end of the financial year. Extraordinary General Meetings may be held, as often as the Board deems desirable. In addition, one or more Shareholders or others entitled to attend General Meetings, who solely or jointly represent at least the percentage of the issued capital as required by law, which currently is at least one-tenth of the issued capital, may request that a General Meeting be convened, the request setting out in detail matters to be considered. If no General Meeting has been held within six weeks of the Shareholder(s) or others entitled to attend General Meetings making such request, such Shareholder(s) or others entitled to attend General Meetings will be authorised to request in summary proceedings a District Court to convene a General Meeting. Within three months of it becoming apparent to the Board that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a General Meeting will be held to discuss any requisite measures.

The convocation of the General Meeting must be published through an announcement by electronic means. The notice must state the subject to be dealt with, the time and place of the meeting, the record date, the manner in which persons entitled to attend the General Meeting may register and exercise their rights, the time on which registration for the meeting must have occurred ultimately, as well as the place where the meeting documents may be obtained, and such other information as may be required by Dutch law. The notice must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days.

The agenda for the annual General Meeting must, among other things, include the adoption of the Annual Accounts, the discussion of any substantial change in the corporate governance structure of the Company and the allocation of the profits, insofar as this is at the disposal of the General Meeting. At least every four years, the adoption of the remuneration policy for the Board is included in the agenda. In addition, the agenda shall include such items as have been included therein by the Board or Shareholders (with due observance of Dutch law as described below). If the agenda of the General Meeting contains the item of granting discharge to the Directors concerning the performance of their duties in the financial year in question, the matter of the discharge shall be mentioned on the agenda as a separate item for the Board. The agenda shall also include such items as one or more Shareholders and others entitled to attend General Meetings, representing, pursuant to the Articles of Association, at least the percentage of the issued and outstanding share capital as required by law (which as of the date of this Prospectus is 3 per cent), have requested the Board by a motivated request to include in the agenda, at least 60 days before the day of the General Meeting. No resolutions may be adopted on items other than those which have been included in the agenda (unless the resolution would be adopted unanimously during a meeting where the entire issued capital of the Company is present or represented).

The General Meeting is in principle chaired by the Senior Independent Director. However, the Senior Independent Director may charge another person with chairing the General meeting even if the Senior Independent Director is present at the meeting. If the Senior Independent Director is absent and has not charged another person with chairing the meeting instead, the Directors present at the meeting shall appoint one of the Non-Executive Directors present at the General Meeting as chairperson of the General Meeting. In the absence of all Non-Executive Directors, the General Meeting is chaired by the CEO of the Board or, in the absence of the CEO of the Board, by another Executive Director appointed by the Directors present. The chairperson of the General Meeting appoints the secretary of the General Meeting. Directors may attend a General Meeting. In these General Meetings, the Directors have an advisory vote. The chairperson of the General Meeting may decide at his, her or its discretion to admit other persons to the General Meeting.

Each Shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, address the General Meeting and exercise voting rights *pro rata* to his, her or its shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of Shares on the record date as required by Dutch law, which is currently the 28th day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the General Meeting in writing or by any other electronic means that can be reproduced on paper at the address and by the date specified in the notice of the General Meeting. The convocation notice shall state the record date and the manner in which the persons entitled to attend the General Meeting may register and exercise their rights.

Voting rights

Each Share confers the right to cast one vote in the General Meeting. Subject to certain exceptions provided by Dutch law or the Articles of Association, resolutions of the General Meeting are passed by an absolute majority of votes cast, regardless of which part of the issued share capital such votes represent. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Shares which are held by the Company or any of its subsidiaries.

Amendment of the Articles of Association

The General Meeting may, resolve to amend the Articles of Association, with an absolute majority of the votes cast, but only on a proposal of the Board, that has been approved by a majority of the Non-Executive Directors entitled to vote. A proposal to amend the Articles of Association must be stated in the notice of the General Meeting. In the event of a proposal to the General Meeting to amend the Articles of Association, a copy of the proposal, containing the verbatim text of the proposed amendment, must be lodged with the Company for the inspection of every Shareholder, and other persons holding meeting rights, until the end of the General Meeting. Furthermore, a copy of the proposal will be made available free of charge to Shareholders and other persons holding meeting rights from the day it was deposited until the day of the General Meeting.

Legal merger / legal division

The General Meeting may pass a resolution to effect a legal merger or a legal division, with an absolute majority of the votes cast, but only on a proposal of the Board, that has been approved by a majority of the Non-Executive Directors entitled to vote. A proposal to effect a legal merger or a legal division must be stated in the notice.

Dissolution and liquidation

The Company may only be voluntarily dissolved by a resolution of the General Meeting, with an absolute majority of the votes cast, but only on a proposal of the Board, that has been approved by a majority of the Non-Executive Directors entitled to vote.

If the General Meeting has resolved to dissolve the Company, the Executive Directors must carry out the liquidation of the Company, unless otherwise resolved by the General Meeting. During liquidation, the provisions of the Articles of Association will remain in force as far as possible.

The balance of the assets of the Company remaining after all liabilities and the costs of liquidation shall be distributed among the Shareholders in proportion of their number of Shares.

Certain tax aspects of liquidation proceeds are described in "*Taxation*".

Annual accounts and semi-annual accounts

Annually, within four months after the end of the financial year, the Board must prepare the Annual Accounts and make them available for inspection by the Shareholders at the offices of the Company. The Annual Accounts must be accompanied by an auditor's statement, a management report and certain other information required under Dutch law. The Annual Accounts must be signed by all Directors. If the signature of one or more of them is missing, this will be stated and reasons for this omission will be given.

The Annual Accounts, the auditor's statement, the management report and the other information required under Dutch law must be made available to the Shareholders for review as from the day of the notice convening the annual General Meeting where they are discussed until the conclusion of such meeting. The Annual Accounts must be adopted by the General Meeting. The Board must send the adopted Annual Accounts to the AFM within five business days after adoption.

The Company must prepare and make publicly available a semi-annual financial report as soon as possible, but at the latest three months after the end of the first six months of the financial year. If the semi-annual financial report is audited or reviewed, the independent auditor's audit or review report, respectively, must be published together with the semi-annual financial report.

Dutch Financial Reporting Supervision Act

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the "**FRSA**") the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange, such as the Company.

Pursuant to the FRSA, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt that the Company's financial reporting meets such standards and (ii) recommend the Company to make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) (the "**Enterprise Chamber**") orders the Company to (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

Rules governing obligations of Shareholders to make a public takeover bid

Pursuant to the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) ("**FMSA**"), and in accordance with European Directive 2004/25/EC, also known as the Takeover Directive, any shareholder who (individually or jointly) directly or indirectly obtains control of a Dutch listed company (on a regulated market within the meaning of the FMSA) is required to make a public takeover bid for all issued and outstanding shares in that company's share capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30 per cent. of the voting rights in the general meeting of such listed company (subject to an exemption for major shareholders who, acting alone or in concert, already had such stake in the company at the time of that company's initial public offering).

In addition, it is prohibited to launch a public takeover bid for shares of a listed company, such as the Shares, unless an offer document has been approved by the AFM. A public takeover bid may only be launched by way of publication of an approved offer document unless a company makes an offer for its shares. The public takeover bid rules are intended to ensure that in the event of a public takeover bid, among others, sufficient information will be made available to the shareholders, that the shareholders will be treated equally, that there will be no abuse of inside information and that there will be a proper and timely offer period.

Squeeze-out proceedings

Pursuant to article 2:92a BW, a shareholder who for his, her or its own account contributes at least 95 per cent. of the issued share capital of a public limited liability company (*naamloze vennootschap*) incorporated in the Netherlands may institute proceedings against such company's minority shareholders jointly for the transfer of their shares to him, her or it. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him, her or it. Unless the addresses of all of them are known to him, her or it, he, she or it is required to publish the same in a daily newspaper with nationwide circulation.

The offeror under a public takeover bid is also entitled to start squeeze-out proceedings if, following the public takeover bid, the offeror contributes at least 95 per cent. of the outstanding share capital and represents at least 95 per cent. of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90 per cent. of the shares to which the offer related were received by way of voluntary offer.

Pursuant to article 2:359d BW those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror are entitled to institute proceedings with the Enterprise Chamber (*Ondernemingskamer*), provided that the offeror has acquired at least 95 per cent. of the outstanding share capital and represents at least 95 per cent. of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

Obligations to disclose holdings

Shareholders may be subject to notification obligations under the FMSA. Shareholders are advised to seek professional advice on these obligations.

Shareholders

Pursuant to the FMSA, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of the Company must notify the AFM without delay, if, as a result of such acquisition or disposal, the actual, potential or aggregate percentage of capital interest or voting rights held by such person in the Company reaches, exceeds or falls below any of the following thresholds: 3 per cent., 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 40 per cent., 50 per cent., 60 per cent., 75 per cent. and 95 per cent.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the abovementioned thresholds as a result of a change in the Company's total outstanding share capital or voting rights. Such notification has to be made no later than the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital.

Under the FMSA, the Company is required to notify the AFM without delay of the changes in its share capital or voting rights, if its issued share capital or voting rights changes by 1 per cent. or more compared to the Company's previous notification. The Company must furthermore notify the AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1 per cent. in that relevant quarter or since the Company's previous notification.

The AFM keeps a public register of all notifications made pursuant to these disclosure obligations and publishes all notifications received by it. The shareholder notifications referred to in this section should be made electronically through the notification system of the AFM.

Controlled entities, within the meaning of the FMSA, do not have notification obligations under the FMSA, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the FMSA, including an individual. A person who has a 3 per cent. or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the FMSA will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, inter alia, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly) or third party referred to above, may acquire pursuant to any option or other right to acquire shares; (v) shares which determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares which are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares. Special attribution rules apply to shares and voting rights which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the purpose of calculating the percentage of capital interest or voting rights, the following instruments qualify as 'shares': (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (i) or (ii) (such as convertible bonds); and (iv) options for acquiring the instruments under (i) or (ii).

The notification to the AFM should indicate whether the interest is held directly or indirectly, and whether the interest is an actual or a potential interest.

Gross short positions in shares must also be notified to the AFM. For these gross short positions the same thresholds apply as for notifying an actual or potential interest in the capital and/or voting rights of a Dutch listed company, as referred to above, and without any set-off against long positions.

In addition, pursuant to Regulation (EU) No 236/2012, as amended, and ESMA Decision of 16 December 2020, ESMA70-155-9546, each person holding a net short position attaining 0.1 per cent. of the issued share capital of a Dutch listed company is required to notify such position to the AFM. Each subsequent increase of this position by 0.1 per cent. above 0.1 per cent. must also be notified. Each net short position equal to 0.5 per cent. of the issued share capital of a Dutch listed company and any subsequent increase of that position by 0.1 per cent. will be made public via the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set-off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third party that the shares have been located. The notification shall be made no later than 15:30 CET on the following trading day.

Management

Pursuant to the FMSA, each Director must notify the AFM: (a) immediately following the admission to trading and listing of the Shares of the number of Shares and options he or she holds and the number of votes he or she is entitled to cast in respect of the Company's issued share capital, and (b) subsequently of each change in the number of Shares or options he holds and of each change in the number of votes he is entitled to cast in respect of the Company's issued share capital, immediately after the relevant change. If a Director has notified a change in shareholding to the AFM under the FMSA as described above under "—*Obligations to Disclose Holdings—Shareholders*" above, such notification is sufficient for purposes of the FMSA as described in this paragraph.

Furthermore, pursuant to Market Abuse Regulation and the regulations promulgated thereunder, any Director, as well as any other person discharging managerial responsibilities in respect of the Company who has regular access to inside information relating directly or indirectly to the Company and power to take managerial decisions affecting future developments and business prospects of the Company, must notify the AFM by means of a standard form of any transactions conducted for his, her or its own account relating to the Shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto.

In addition, pursuant to the Market Abuse Regulation, certain persons who are closely associated with Directors, or any of the other persons as described above, are required to notify the AFM of any transactions conducted for their own account relating to the Shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto. The Market Abuse Regulation covers, *inter alia*, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership whose, among other things, managerial responsibilities are discharged by a person referred to under (i) to (iii) above or by the relevant Directors, or other person discharging the managerial responsibilities in respect of the Company as described above.

The notifications pursuant to the Market Abuse Regulation described above must be made to the Company and to the AFM by the PDMRs and by closely associated persons no later than the third business day following the relevant transaction date. Under certain circumstances, these notifications may be postponed until all transactions within a calendar year have reached a total amount of EUR 5,000 (calculated without netting). Any subsequent transaction must be notified as set forth above.

Non-compliance

Non-compliance with the disclosure obligations set out in the paragraphs above is an economic offense (*economisch delict*) and may lead to the imposition of criminal prosecution, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and vice versa, the criminal prosecution is no longer allowed if administrative penalties have been imposed. Furthermore, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be correctly notified. A claim requiring that such measures be imposed must be instituted by the Company and/or one or more Shareholders who alone or together with others represent(s) at least 3 per cent. of the issued share capital or are able to exercise at least 3 per cent. of the voting rights. The measures that the civil court may impose include:

- an order requiring the person violating the disclosure obligations to make appropriate disclosure;
- suspension of voting rights in respect of such person's Shares for a period of up to three years as determined by the court;
- voiding a resolution adopted by a General Meeting, if the court determines that the resolution would not have been adopted if the voting rights of the person who is obliged to notify had not been exercised, or suspension of a resolution until the court makes a decision about such voiding; and

an order to the person violating the disclosure obligations to refrain, during a period of up to five years as determined by the court, from acquiring Shares and/or voting rights in Shares.

Public registry

The AFM does not issue separate public announcements of these notifications. It does, however, keep a public register of all notifications under the FMSA on its website (www.afm.nl). Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

Identity of Shareholders

The Company may, in accordance with Chapter 3A of the Dutch Securities Giro Transactions Act, request Euroclear Nederland, admitted institutions, intermediaries, institutions abroad, and managers of investment institutions, to provide certain information on the identity of its Shareholders. No information will be given on Shareholders with an interest of less than 2 per cent. of the issued share capital. A Shareholder who, individually or together with other Shareholders, holds an interest of at least 10 per cent. of the issued share capital may request the Company to establish the identity of its Shareholders. This request may only be made during a period of 60 days until (and not including) the 42nd day before the day on which the General Meeting will be held.

If a request as referred to in the previous paragraph has been made by either the Company or a Shareholder in accordance with the previous paragraph, Shareholders who, individually or with other Shareholders, hold Shares that represent at least 1 per cent. of the issued and outstanding share capital or a market value of at least EUR 250,000, may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting. The Company can only refuse disseminating such information, if received less than seven business days prior to the General Meeting, if the information gives or could give an incorrect of misleading signal or if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

Related party transactions

The Shareholder Rights Directive II establishes requirements in relation to the exercise of certain shareholder rights attached to voting shares in relation to general meetings of companies which have their registered office in a Member State of the European Union and the shares of which are admitted to trading on a regulated market situated or operating within a Member State of the European Union.

The Dutch act to implement the Shareholder Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*) (the "**Dutch SRD Act**") entered into force on 1 December 2019. The Dutch SRD Act, among other things, added new rules on related party transactions to the Dutch Civil Code and provided that "material transactions" with "related parties" not entered into within the ordinary course of business or not concluded on normal market terms, must be approved by the supervisory board, or, in the case of a one-tier board, the (non-executive members of the) board of directors, and be publicly announced at the time that the transaction is entered into. In addition, certain items in respect of any such related party transaction not concluded on normal market terms must be disclosed in the explanatory notes to the Company's annual accounts. If information is required to be published at an earlier stage under the Market Abuse Regulation, that requirement prevails. The supervisory board, or, in the case of a one-tier board, the board of directors, is required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Any director or shareholder that is involved in the transaction with the related party cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. In this context: a "related party" is interpreted in accordance IFRS-EU (IAS 24 (Related Party Disclosures)) and includes a party that has "control" or "significant influence" over the company or is a member of the company's key management personnel; and a transaction is considered "material" if information about the transaction would constitute inside information within the meaning of the Market Abuse Regulation and is concluded between the company and a related party (which for this purpose in any event includes one or more shareholders representing at least 10 per cent. of the issued share capital or a managing director or supervisory director). Certain transactions are not subject to the approval and disclosure provisions of articles 2:167 through 2:170 BW, including transactions concluded between a company and its subsidiary).

Market Abuse Regulation

The rules on preventing market abuse set out in the Market Abuse Regulation are applicable to the Company, the members of the Board, other insiders and persons performing or conducting transactions in the Company's financial instruments. Certain important market abuse rules that are relevant for investors are described hereunder.

The Company is required to make inside information public. Pursuant to Market Abuse Regulation, inside information is information of a precise nature, which has not been made public, relating, directly or indirectly, to the issuer or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Unless an exception applies, the Company must without delay publish inside information which directly concerns the Company by means of a press release, and post and maintain it on its website for at least five years. The Company must also provide the AFM with this inside information at the time of publication.

It is prohibited for any person to make use of inside information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates, as well as an attempt thereto (insider dealing). The use of inside information by cancelling or amending of an order concerning a financial instrument also constitutes insider dealing. In addition, it is prohibited for any person to disclose inside information to anyone else (except where the disclosure is made strictly as part of the person's regular duty or function) or, whilst in possession of inside information, recommend or induce anyone to acquire or dispose of financial instruments to which the information relates. Furthermore, it is prohibited for any person to engage in or attempt to engage in market manipulation, for instance by conducting transactions which could lead to an incorrect or misleading signal of the supply of, the demand for or the price of a financial instrument.

The Company and any person acting on its behalf or on its account is obliged to draw up an insiders' list of persons working for the Company and having, on a regular or incidental basis, knowledge of inside information. The Company is obliged to update the insider list and provide the insider list to the AFM upon its request. The Company and any person acting on its behalf or on its account is obliged to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

A person discharging managerial responsibilities is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third party, relating to Shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of an interim financial report or an annual report of the Company.

Transparency Directive

As a consequence of the Admission, the Netherlands will be the Company's home member state for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU), and the Company will be subject to the FMSA in respect of certain ongoing transparency and disclosure obligations.

SOLE SHAREHOLDER AND RELATED PARTY TRANSACTIONS

Sole Shareholder

The Sole Shareholder is the sole shareholder of the Company as of the date of this Prospectus. The address of the Sole Shareholder is Groeneweg 11, 4197 HD, Buurmalsen, the Netherlands.

	Amount of Share Capital Owned		
Shareholder	**Number of Shares**	**Percentage of share capital**	**Percentage of Voting Rights**
CTP Holding B.V.	336,000,000	100	100

Mr. Vos, the Founder and Executive Director of the Company (see "*Management, Employees and Corporate Governance—Directors*") holds (indirectly through Multivest) 100% of the voting rights in the Sole Shareholder.

Each Share gives the right to cast one vote at the General Meetings. All Shareholders have the same voting rights.

Potential Change of control

Prior to the Restructuring in 2019, Multivest and Finspel B.V. were the ultimate parent companies of the Group. As part of the Restructuring, Multivest acquired all shares held by Finspel B.V. in order to consolidate ownership within the CTP Group. To finance the acquisition of such shares, Finspel B.V. provided a vendor loan to Multivest. As security for Multivest's obligations under the vendor loan, 50 per cent. of the issued shares in Multivest are pledged to Finspel B.V., which means that in case of default under the vendor loan and subsequent enforcement of the pledge, Finspel B.V. could acquire 50 per cent. of the issued shares in Multivest. This may result in a loss of control by the Founder over Multivest, which is the ultimate parent company of the Company. As of 31 January 2020, EUR 207.5 million of this vendor loan remains outstanding. Assuming exercise of the Over-Allotment Option, the Sole Shareholder intends to partially prepay the vendor loan in the short term following the Offering and intends to use the proceeds from the Over-Allotment Option towards such prepayment.

Holdings immediately prior and after Settlement

The Company is offering up to 61,017,000 New Shares. The following table sets forth information with respect to the size of the shareholdings of the Sole Shareholder both immediately prior to Settlement and immediately after Settlement, assuming (a) no exercise of the Over-Allotment Option and (b) exercise of the Over-Allotment Option in full, in each case assuming the issue and sale of the maximum number of New Shares and that the Sole Shareholder does not subscribe for any New Shares pursuant to the Offering.

				Shares owned immediately after Settlement					
Sole Shareholder	**Shares owned immediately prior to Settlement**			**Without exercise of the Over-Allotment Option**			**With full exercise of the Over-Allotment Option**		
	Amount	**Share capital**	**Voting rights**	**Amount**	**Share capital**	**Voting rights**	**Amount**	**Share capital**	**Voting rights**
CTP Holding B.V.	336,000,000	100 per cent.	100 per cent.	336,000,000	85 per cent.	85 per cent.	326,847,450	82 per cent.	82 per cent.

To the extent known to the Company, none of the Sole Shareholder, the Directors or the Executive Committee Members intend to subscribe in the Offering.

Related party transactions

The following is a summary of transactions with related parties as defined in IAS 24 'Related Parties Disclosure', in accordance with IFRS. Transactions between related parties are effected on the same terms, conditions and amounts as transactions between unrelated parties. The Group is, and has been, a party to various agreements and other arrangements with certain related parties, the most significant of which are described below.

The Directors and other companies whose equity holder is Multivest, the ultimate parent company of the Group, are related parties to Group. The Company's policy is to enter into transactions with related parties on terms that are generally no more favourable, or no less favourable, than those available from unaffiliated third parties. Such transactions are subject to approval of the Board and based on the Company's experience in the businesses in which it operates and the terms of transactions with unaffiliated third parties, management believes that all related party transactions met this standard at the time they occurred and were carried out on arms' length terms.

Loan from Multivest B.V.

Multivest provided a loan to CTP Invest on 2 June 2017. As of 31 December 2020, EUR 34 million was outstanding (the "**Multivest Loan**"). The repayment date of the Multivest Loan is 1 July 2029.

Airplanes from CTP Invest

As described in "*Business Overview—Other assets*", CTP Invest owns two airplanes, a Gulfstream G280 and a Pilatus PC-12. Although the airplanes are primarily used for business purposes, the airplanes may be used privately by management against payment of an arm's length compensation for the hours of use.

Revenues and expenses

The following table sets out Group's interest income and expenses with related parties for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December					
	2020		2019		2018	
Related party	**Revenues**	**Expenses**	**Revenues**	**Expenses**	**Revenues**	**Expenses**
			(in EUR thousands)			
Multivest B.V.	-	(1,941)	-	(2,478)	-	(1,948)
CTP Holding B.V.	183	(165)	-	(928)	-	(27)
CTP Energy TR, a.s.	-	-	70	-	-	(3)
CTP Germany II GmbH	197	-	-	-	-	-
CTP Germany III GmbH ...	35	-	-	-	-	-
Finspel B.V. - interest (part of group until 28.06.2019) .	-	-	-	-	628	-
CTP I, spol. s r.o.	-	-	10	-	8	-
CTP Solar, a.s.	-	(2)	-	(4)	-	(4)
Total	**415**	**(2,108)**	**80**	**(3,410)**	**636**	**(1,982)**

Current receivables and liabilities

The following table sets out the Group's current receivables and/or payables from and/or to related parties for the years ended 31 December 2020, 2019 and 2018:

	Year ended 31 December					
	2020		2019		2018	
Related party	**Receivables**	**Payables**	**Receivables**	**Payables**	**Receivables**	**Payables**
			(in EUR thousands)			
CTP Holding B.V.	13	(2,627)	13	(60,005)	90	(131)
CTP I, spol. s r.o.	30	-	25	-	-	-
Multifin B.V. (in group from 31.12.2019)	-	-	-	-	199	-
Multivest B.V.	-	-	104	-	-	-
Other	2	-	1	-	21	(50)
Total	**45**	**(2,627)**	**143**	**(60,005)**	**310**	**(181)**

Non-current receivables and liabilities

The following table sets out the Group's non-current receivables and/or payables from and/or to related parties for the years ended 31 December 2020, 2019 and 2018:

Related party	2020 Receivables	2020 Payables	2019 Receivables	2019 Payables	2018 Receivables	2018 Payables
	Year ended 31 December					
	(in EUR thousands)					
CTP Energy TR, a.s.	-	-	-	-	-	(74)
CTP Germany II GmbH ...	7,924	-	7,037	-	-	-
CTP Germany III GmbH ..	314	-	279	-	-	-
CTP Germany IV GmbH .	-	(15)	-	-	-	-
CTP Holding B.V.	33,804	(3)	46,938	(31)	6,657	(928,815)
CTP Solar, a.s.	4	(163)	2	(78)	4	(104
CTP I, spol. s r.o.	-	-	-	-	345	-
Multifin B.V.	-	-	-	-	8,461	-
Multivest B.V.	-	(34,363)	-	(40,972)	-	(38,190)
Other	-	-	1	-	-	(16)
Total	**42,046**	**(34,544)**	**54,257**	**(41,081)**	**15,467**	**(967,199)**

In the period from 1 January 2021 up to the date of this Prospectus, the related party agreements the Group was a party to during 2020 have continued to be in effect in the period following 31 December 2020. As a result, related party transactions have been carried out under these related party agreements in the same manner as in 2020.

Additional information on related party transactions can be found in Note 33 to the Financial Statements.

THE OFFERING

Introduction

The Company is offering up to 61,017,000 New Shares pursuant to the Offering. In addition, the Sole Shareholder has granted the Over-Allotment Option, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager may require the Sole Shareholder to sell, at the Offer Price, Over-Allotment Shares such amount not to exceed 15 per cent. of the total number of New Shares sold in the Offering, to cover over-allotments, if any, in connection with the Offering. As of Settlement, assuming the issue and sale of the maximum number of New Shares pursuant to the Offering, the New Shares will represent 15.4 per cent. of the Shares and, assuming the Over-Allotment Option is exercised in full, the Offer Shares will represent 17.7 per cent. of the Shares. The Offering consists solely of: (i) private placements in the Netherlands to Qualified Investors and (ii) private placements to certain institutional investors in various other jurisdictions. The Offer Shares are being offered: (i) within the US, to persons reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirement under the US Securities Act and applicable state securities laws, and (ii) to institutional investors in various jurisdictions outside the US, in "offshore transactions" as defined in, and in compliance with, Regulation S. The Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made. There will be no public offering in any jurisdiction.

Timetable

Subject to acceleration or extension of the timetable for, or withdrawal of, the Offering, the timetable below sets forth certain expected key dates for the Offering.

Event	Expected Date	Time CET
Start of Offering Period	17 March 2021	9:00
End of Offering Period	24 March 2021	14:00
Pricing and Allocation	25 March 2021	
Admission and commencement of trading on an "as-if-and-when-issued" basis on Euronext Amsterdam	25 March 2021	9:00
Settlement (payment and delivery)	29 March 2021	

The Company, based on close consultation with the Joint Global Coordinators, may adjust the dates, times and periods given in the timetable and throughout this Prospectus. If the Company should decide to do so, it will make this public through a press release, which will also be posted on the Company's website. Any other material alterations will be published through a press release that will also be posted on the Company's website and (if required) in a supplement to this Prospectus that is subject to the approval of the AFM.

Any extension of the timetable for the Offering will be published in a press release before the end of the Offering Period, provided that any extension will be for a minimum of one full day. Any acceleration of the timetable for the Offering will be published in a press release before the proposed end of the accelerated Offering Period.

Offer Price and number of Offer Shares

The Offer Price is expected to be set within the range of EUR 13.50 to EUR 16.00 (inclusive) per Offer Share. The Offer Price and the exact number of Offer Shares will be determined on the basis of a book building process. The Offer Price may be set within, above or below the Offer Price Range. The Offer Price Range is an indicative price range only. The Offer Price and the exact number of Offer Shares offered will be determined by the Company, based on close consultation with the Joint Global Coordinators, after the end of the Offering Period, including any acceleration or extension, on the basis of the book building process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Offer Shares, and other factors deemed appropriate.

The Offer Price, the exact numbers of Offer Shares to be sold and the maximum number of Over-Allotment Shares will be stated in the Pricing Statement which will be published through a press release that will also be posted on the Company's website and filed with the AFM.

Change of the Offer Price Range or number of Offer Shares

The Offer Price Range is an indicative price range only. The Company, based on close consultation with the Joint Global Coordinators, reserves the right to change the Offer Price Range and/or to increase or decrease the maximum number of Offer Shares prior to Allocation. Upon a change of the number of Offer Shares, references to Offer Shares in this Prospectus should be read as referring to the amended number of Offer Shares and references to Over-Allotment Shares should be read as referring to the amended number of Over-Allotment Shares.

Offering Period

Subject to acceleration or extension of the timetable for the Offering, prospective investors may subscribe for Offer Shares during the period commencing at 9:00 CET on 17 March 2021 and ending at 14:00 CET on 24 March 2021. In the event of an acceleration or extension of the Offering Period, pricing, allotment, admission and first trading of the Offer Shares, as well as payment (in euros) for and delivery of the Offer Shares in the Offering may be advanced or extended accordingly.

If a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Offer Shares arises or is noted before the later of the closing of the Offering Period and the start of trading of the Offer Shares on Euronext Amsterdam, a supplement to this Prospectus will be published, the Offering Period will be extended, if so required by the Prospectus Regulation or the rules promulgated thereunder.

Subscription and allocation

The allocation of the Offer Shares is expected to take place after the closing of the Offering Period on or about 25 March 2021, subject to acceleration or extension of the timetable for the Offering. After the end of the Offering Period, all purchase orders from Qualified Investors in the Netherlands and from institutional investors in other jurisdictions will be evaluated according to the prices offered and certain qualitative criteria such as: the time of purchase order, the investor type and investment horizons of the respective Qualified Investors and institutional investors, qualitative feedback during marketing process, focus on the industry and/or the region in which the Company operates as well as other criteria that allow a high-quality investor base. Allocation to investors who applied to subscribe for or purchase Offer Shares will be determined by the Company, based on close consultation with the Joint Global Coordinators, and full discretion will be exercised as to whether or not and how to allocate the Offer Shares subscribed for. There is no maximum or minimum number of Offer Shares for which prospective investors may subscribe and multiple (applications for) subscriptions are permitted. In the event that the Offering is over-subscribed, investors may receive fewer Offer Shares than they applied to subscribe for or purchase. The Company, the Joint Global Coordinators and the Joint Bookrunners may, at their own discretion and without stating the grounds therefor, reject any subscriptions or applications wholly or partly. On or around the day that Allocation occurs the Joint Global Coordinators, on behalf of the Underwriters, will notify investors (or the relevant financial intermediary) of any allocation of Offer Shares made to them. Any monies received in respect of subscriptions which are not accepted in whole or in part will be returned to the investors without interest and at the investors' risk.

Investors participating in the Offering will be deemed to have checked whether and to have confirmed they meet the requirements of the selling and transfer restrictions in "*Selling and Transfer Restrictions*". Each investor should consult his, her or its own advisors as to the legal, tax, business, financial and related aspects of a purchase of Shares.

Payment

Payment (in euros) for and delivery of the Offer Shares will take place on the Settlement Date. Taxes and expenses, if any, must be borne by the investor (for more information see "*Taxation*"). Investors must pay the Offer Price in immediately available funds in full in euro on or before the Settlement Date.

Listing and trading

Prior to the Offering, there has been no public market for the Shares. Application has been made to list all of the Shares on Euronext Amsterdam under the symbol "CTPNV" with ISIN NL00150006R6. Subject to acceleration or extension of the timetable for the Offering, trading on an "as-if-and-when-issued" basis in the Offer Shares is expected to commence on or about 25 March 2021.

Delivery, clearing and settlement

The Offer Shares will be delivered in book-entry form through the facilities of Euroclear Nederland. Application has been made for the Shares to be accepted for clearance through the book-entry facilities of Euroclear Nederland. Euroclear Nederland has its offices at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

Delivery of the Offer Shares will take place on the Settlement Date, through the book-entry facilities of Euroclear Nederland, in accordance with its normal settlement procedures applicable to equity securities and against payment (in euros) for the Offer Shares and the Over-Allotment Shares, if applicable, in immediately available funds.

The closing of the Offering may not take place on the Settlement Date or at all if certain conditions or events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date. See "*Plan of Distribution*".

If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation. Any dealings in Shares prior to Settlement are at the sole risk of the parties concerned. Neither the Company, the Underwriters, the Listing and Paying Agent, the Financial Adviser nor Euronext Amsterdam N.V. accept any responsibility or liability for any loss incurred by any person(s) as a result of a withdrawal of the Offering or the related annulment of any transactions in Shares on Euronext Amsterdam.

Voting rights

Each Share confers the right to cast one vote in the General Meeting, see "*Description of Share Capital—General Meetings and Voting Rights*". All Shareholders have the same voting rights.

Ranking and dividends

The Shares (including, if the Over-Allotment Option is exercised (either in part or in full), any Over-Allotment Shares) rank equally in all respects and will be eligible for any dividends that may be declared on the Shares. See "*Dividend Policy*".

Dilution

Assuming the issuance of the maximum number of New Shares under the Offering, such issuance will result in the Company's share capital increasing by 18.2 per cent. Accordingly, the Sole Shareholder will suffer an immediate dilution as a result of the Offering of 15.4 per cent. (assuming that the Company issues the maximum number of New Shares under the Offering).

Listing and Paying Agent

ING is the Listing and Paying Agent with respect to the Shares on Euronext Amsterdam.

Stabilisation Manager

Morgan Stanley is the Stabilisation Manager with respect to the Shares on Euronext Amsterdam.

PLAN OF DISTRIBUTION

Underwriting

The Company, the Sole Shareholder and the Underwriters have entered into an underwriting agreement on the date of this Prospectus (the "**Underwriting Agreement**") pursuant to which, on the terms and subject to the conditions contained therein, including the entry into of the pricing agreement between the Company, the Sole Shareholder and the Underwriters following the completion of the bookbuilding of the Offering (the "**Pricing Agreement**"), the Underwriters will, on a several and not a joint or joint and several basis, agree to use their reasonable endeavours to procure subscribers or purchasers for the Offer Shares or, failing which to subscribe or purchase those Offer Shares themselves, and the Company will agree to issue those New Shares at the Offer Price to subscribers procured by the Underwriters or, failing which, to the Underwriters themselves.

The Underwriting Agreement provides that the obligations of the Underwriters to use their respective reasonable endeavours to procure subscribers and purchasers for or, failing which, to subscribe or purchase themselves (on a several and not a joint or joint and several basis) the number of New Shares set forth in the Pricing Agreement, are subject to certain customary closing conditions, including there having occurred no material adverse change in relation to the Group between the date of the Underwriting Agreement and Settlement. In addition, upon the occurrence of specific events, such as conditions precedent not being satisfied or waived, the Underwriting Agreement may cease to have effect immediately at any time prior to Settlement and/or the Underwriters may elect to terminate the Underwriting Agreement at any time prior to Settlement (or thereafter, in respect of the Over-Allotment Option only).

Subject to the satisfaction of these conditions, the proportion of New Shares that each Underwriter may severally be required to subscribe for or purchase is indicated below.

Underwriters	Underwriting Commitment of New Shares
	(in per cent.)
Erste Group	19
Goldman Sachs	29
Morgan Stanley	29
Kempen & Co	8
UBS	8
ING	3.5
Raiffeisen	3.5
Total	**100**

In the Underwriting Agreement, each of the Company and the Sole Shareholder has made and provided certain customary representations and warranties in favour of the Underwriters. In addition, the Company has agreed to indemnify the Underwriters against certain liabilities in connection with the Offering.

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriters an aggregate commission of 1.50 per cent. of the gross proceeds of the Offering from the sale of the New Shares. In addition, the Company has agreed, at its discretion, that it may pay the Underwriters a discretionary fee of up to 1.25 per cent. of the gross proceeds of the Offering from the sale of the New Shares. Pursuant to the Underwriting Agreement, the Sole Shareholder has agreed to pay the Underwriters an aggregate commission of 1.50 per cent. of the gross proceeds of the Offering from the sale of any Over-Allotment Shares pursuant to the exercise of the Over-Allotment Option. In addition, the Sole Shareholder has agreed, at its discretion, that it may pay the Underwriters a discretionary fee of up to 1.25 per cent. of the gross proceeds of the Offering from the sale of any Over-Allotment Shares pursuant to the exercise of the Over-Allotment Option. The Company has also agreed to reimburse the Underwriters for certain expenses incurred by them in connection with the Offering.

The Offer Shares have not been and will not be registered under the US Securities Act or the applicable securities laws of any state of the US and may not be offered, sold, pledged or transferred within the US, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Offer Shares may be offered and sold: (i) in the US only to persons reasonably believed to be QIBs in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirement under the US Securities Act and applicable state securities laws; and (ii) outside the US in "offshore transactions" as defined in, and in compliance with Regulation S. Any offer or sale of Offer Shares in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. Terms used in this paragraph have the meanings given to them by Regulation S and Rule 144A.

Erste Group, Goldman Sachs, Morgan Stanley, Kempen & Co, UBS, ING and Raiffeisen are not registered broker-dealers in the US, and therefore, to the extent that any of them intend to effect any offers or sales of Offer Shares in the United States, they will do so through one or more US registered broker-dealers, pursuant to applicable US securities laws.

Potential conflicts of interests

The Underwriters are acting exclusively for the Company and for no one else and will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than to the Company for giving advice in relation to the Offering and for the listing and trading of the Shares and/or any other transaction or arrangement referred to in this Prospectus.

Certain of the Underwriters and/or their respective affiliates have in the past been engaged, and may in the future, from time to time, engage in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company or any parties related to any of them, in respect of which they have received, and may in the future receive, customary fees and commissions.

In connection with the Offering, each of the Underwriters and any of their respective affiliates, acting as an investor for its own account, may take up Offer Shares in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any Offer Shares or related investments and may offer or sell such Offer Shares or other investments otherwise than in connection with the Offering. Accordingly, references in this Prospectus to Offer Shares being offered or placed should be read as including any offering or placement of Offer Shares to any of the Underwriters or any of their respective affiliates acting in such capacity. None of the Underwriters intends to disclose the extent of any such investment or transactions otherwise than pursuant to any legal or regulatory obligation to do so. In addition certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Offer Shares.

As a result of acting in the capacities described above, the Underwriters may have interests that may not be aligned, or could potentially conflict, with investors' and the Company's interests.

Lock-up arrangements

Company lock-up

Pursuant to the Underwriting Agreement, the Company undertakes to the Joint Global Coordinators (for themselves and on behalf of the other Underwriters) that, from the date of the Underwriting Agreement until the date falling 180 days after the Settlement Date, neither it nor any member of its group will, without the prior written consent of the Joint Global Coordinators (such consent not to be unreasonably withheld or delayed), directly or indirectly, offer, issue, allot, lend, mortgage, assign, charge, pledge, sell or contract to sell or issue, issue options in respect of, or otherwise dispose of, directly or indirectly, or announce an offering or issue of, any Shares or other equity securities of the Company (or any interest therein or in respect thereof) or any other securities exchangeable for or convertible into, or substantially similar to, Shares or other equity securities of the Company, or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing, save that the above restrictions shall not apply in respect of (a) the issue and sale of the New Shares pursuant to the Offering; or (b) the issue of Shares pursuant to the grant, vesting or exercise of options or awards under share option schemes in existence on the Settlement Date and described under the heading "*Management, Employees and Corporate Governance—Share plans*" of this Prospectus.

Sole Shareholder lock-up

Pursuant to the Underwriting Agreement, the Sole Shareholder undertakes to the Joint Global Coordinators (for themselves and on behalf of the other Underwriters) that, from the date of the Underwriting Agreement until the date falling 360 days after the Settlement Date, it will not, without the prior written consent of the Joint Global Coordinators (such consent not to be unreasonably withheld or delayed), directly or indirectly, offer, issue, lend, mortgage, assign, charge, pledge, sell or contract to sell, issue options in respect of, or otherwise dispose of, directly or indirectly, or announce an offering or issue of, any Shares or other equity securities of the Company (or any interest therein or in respect thereof) or any other securities exchangeable for or convertible into, or substantially similar to, Shares or other equity securities of the Company, or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing, other than pursuant to the Offering, in the manner described in this Prospectus, and save that the above restrictions shall not prohibit the Sole Shareholder from:

(a) accepting a general offer made to all holders of issued and allotted Shares for the ordinary share capital of the Company made in accordance with applicable Dutch takeover laws and regulations;

(b) executing and delivering an irrevocable commitment or undertaking to accept a general offer (without any further agreement to transfer or dispose of any Shares or any interest therein) as is referred to in sub paragraph (a) above;

(c) selling or otherwise disposing of Shares pursuant to any offer by the Company to purchase its own Shares which is made on identical terms to all holders of Shares in the Company;

(d) transferring or disposing of Shares pursuant to a compromise or arrangement between the Company and its creditors or any class of them or between the Company and its shareholders or any class of them which is agreed to by the creditors or shareholders;

(e) taking up any Shares or other rights granted in respect of a rights issue or other pre-emptive share offering by the Company;

(f) transferring Shares to any connected person of the Sole Shareholder;

(g) transferring the legal interest in shares provided the beneficial owner shall not change;

(h) from entering into, and transferring Shares in accordance with the terms of, the Stock Lending Agreement and the over-allotment contract,

provided that in the case of paragraph (f), prior to any such transfer, the relevant transferee has entered into a deed of adherence in the form set out in the Underwriting Agreement.

Executive Directors' lock-up

Pursuant to the Lock-up Deeds, each Executive Director has agreed with the Underwriters that, from the date of the Lock-up Deed until the date falling 360 days after the Settlement Date, it will not, except as set forth below, without the prior written consent of the Joint Global Coordinators acting on behalf of the Underwriters (such consent not to be unreasonably withheld or delayed), directly or indirectly, offer, issue, lend, mortgage, assign, charge, pledge, sell or contract to sell, issue options in respect of, or otherwise dispose of, directly or indirectly, or announce an offering or issue of, any Shares (or any interest therein or in respect thereof) or any other securities exchangeable for or convertible into, or substantially similar to, Shares or other equity securities of the Company, or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing.

Save that the above restrictions shall not apply to:

(a) any disposal notified in writing in advance to the Joint Global Coordinators and the Company and to which the Joint Global Coordinators give their prior consent in writing (such consent not to be unreasonably withheld of delayed);

(b) accepting a general offer made to all holders of Shares for the ordinary share capital of the Company made in accordance with applicable Dutch takeover laws and regulations;

(c) executing and delivering an irrevocable commitment or undertaking to accept a general offer (without any further agreement to transfer or dispose of any Shares or any interest therein) as is referred to under (b) above;

(d) selling or otherwise disposing of Shares pursuant to any offer by the Company to purchase its own Shares which is made on identical terms to all holders of Shares in the Company;

(e) any Disposal by way of gift (i) by the Executive Director to a family member, (ii) by the Executive Director to any person or persons acting in the capacity of trustee or trustees of a trust created by the Executive Director or, upon any change of trustees of a trust so created, to the new trustee or trustees, provided that the trust is established for charitable purposes only or there are no persons beneficially interested under the trust other than the Executive Director and the Executive Director's family members, or (iii) by the trustee or trustees of a trust to which paragraph (ii) above applies to any person beneficially interested under that trust, provided that, prior to the making of any such disposal, the Executive Director shall have satisfied the Joint Global Coordinators that the transferee falls within one of the categories in paragraphs (i) and (ii) above;

(f) any disposal to or by the Executive Director's personal representatives if the relevant Executive Director dies during the period of the lock-up;

(g) transferring or disposing of Shares pursuant to a compromise or arrangement between the Company and its creditors or any class of them or between the Company and its shareholders or any class of them which is agreed to by the creditors or shareholders;

(h) vesting of awards under share schemes described in this Prospectus;

(i) taking up any Shares or other rights granted in respect of a rights issue or other pre-emptive share offering by the Company; and

(j) transferring the legal interest in securities provided the beneficial owner shall not change,

provided that in the case of paragraphs (e) and (j), prior to any such transfer, the relevant transferee has entered into a deed of adherence in the form set out in the Lock-up Deeds.

Over-Allotment and Stabilisation

In connection with the Offering, the Stabilisation Manager, or any of its agents, on behalf of the Underwriters may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The Stabilisation Manager will not be required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange (including Euronext Amsterdam) or otherwise and may be undertaken at any time during the period commencing on the First Trading Date and ending no later than 30 calendar days thereafter. The Stabilisation Manager or any of its agents will not be obligated to effect stabilizing transactions, and there will be no assurance that stabilizing transactions will be undertaken. Such stabilizing transactions, if commenced, may be discontinued at any time without prior notice. Save as required by law or regulation, neither the Stabilisation Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions under the Offering. The Underwriting Agreement provides that the Stabilisation Manager may, for purposes of stabilizing transactions, over-allot Shares up to 15 per cent. of the total number of New Shares issued and sold in the Offering.

In connection with the Over-Allotment Option, up to 15 per cent. of the total number of New Shares will be made available to the Stabilisation Manager for the account of the Underwriters by the Sole Shareholder through a securities loan entered into on the date of this Prospectus (the "**Stock Lending Agreement**").

The Company, each of the Underwriters and/or the Financial Adviser make no representation or prediction whatsoever as to the direction or the magnitude of any effect that the transactions described above may have on the price of the Shares or any other securities of the Company. In addition, the Company, each of the Underwriters and/or the Financial Adviser make no representation that the Stabilisation Manager will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

SELLING AND TRANSFER RESTRICTIONS

No action has been or will be taken in any jurisdiction by the Company or the Underwriters that would permit, other than pursuant to the Offering, an offer of the Offer Shares or possession, circulation or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required. The distribution of this Prospectus and the offer of the Offer Shares in certain jurisdictions may be restricted by law.

Accordingly, no Offer Shares may be offered or sold either directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Offer Shares may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

If an investor receives a copy of this Prospectus, the investor may not treat this Prospectus as constituting an invitation or offer to the investor of the Offer Shares, unless, in the relevant jurisdiction, such an offer could lawfully be made to the investor, or the Offer Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if the investor receives a copy of this Prospectus or any other offering materials or advertisements, the investor should not distribute the same in or into, or send the same to any person in, any jurisdiction where to do so would or might contravene local securities laws or regulations.

If an investor forwards this Prospectus or any other offering materials or advertisements into any such territories (whether under a contractual or legal obligation or otherwise) the investor should draw the recipient's attention to the contents of this section.

Subject to the specific restrictions described below, investors (including, without limitation, any investor's nominees and trustees) wishing to accept, sell or purchase Offer Shares must satisfy themselves as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

Investors that are in any doubt as to whether they are eligible to purchase Offer Shares should consult their professional adviser without delay.

Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

United States

The Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States unless the Offer Shares are registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

In the United States, the Offer Shares will be offered and sold only to persons reasonably believed to be QIBs as defined in and in reliance on Rule 144A under the US Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements under the US Securities Act and applicable state securities laws. All offers and sales of the Offer Shares outside the United States will be made in "offshore transactions" as defined in, and in compliance with, Regulation S under the US Securities Act.

Recipients of this Prospectus in the United States are hereby notified that this Prospectus has been furnished to them on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorised to use it solely for the purpose of considering a purchase of the Offer Shares in the Offering and may not disclose any of the contents of this Prospectus for any other purpose. This Prospectus is personal to each offeree and does not constitute an offer to any other person or the public generally to subscribe for or otherwise acquire the Offer Shares.

In addition, until the end of the 40th calendar day after commencement of the offering, an offering or sale of Offer Shares within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Offering of the Offer Shares is being made in the United States through US broker dealer affiliates of the Joint Global Coordinators.

Rule 144A

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A, by accepting delivery of this Prospectus or the Offer Shares, will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

(i) It is (a) a QIB within the meaning of Rule 144A (b) acquiring the Offer Shares for its own account or for the account of one or more QIBs with respect to whom it has the authority to make, and does make, the representations and warranties set forth in this paragraph; (c) acquiring the Offer Shares for investment purposes, and not with a view to further distribution of such Offer Shares; and (d) aware, and each beneficial owner of the Offer Shares has been advised, that the sale of the Offer Shares to it is being made in reliance on Rule 144A or in reliance on another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act;

(ii) It understands and agrees that the Offer Shares are being offered and sold in the United States only in a transaction not involving any public offering within the meaning of the U.S. Securities Act and that the Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state, territory or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred, except (a)(1) to a person that it and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act; (2) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; (3) pursuant to an exemption from the registration requirements of the US Securities Act provided by Rule 144 thereunder (if available); or (4) pursuant to an effective registration statement under the Securities Act; and (b) in accordance with all applicable securities laws of any state, territory or other jurisdiction of the United States;

(iii) It acknowledges that the Offer Shares (whether in physical, certificated form or in un-certificated form) are 'restricted securities' within the meaning of Rule 144(a)(3) under the US Securities Act, that the Offer Shares are being offered and sold in a transaction not involving any public offering in the United States within the meaning of the US Securities Act and that no representation is made as to the availability of the exemption provided by Rule 144 for resales of Offer Shares;

(iv) It understands that the Offer Shares (to the extent they are in certificated form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend substantially to the following effect:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT: (A) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE US SECURITIES ACT, PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER; (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT; (C) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT PROVIDED BY RULE 144

THEREUNDER (IF AVAILABLE); OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE US SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE US SECURITIES ACT FOR RESALES OF THIS SECURITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THIS SECURITY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THIS SECURITY ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH INVESTOR IN THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER AND EACH INVESTOR WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY INVESTOR IN THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. EACH HOLDER, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS";

(v) Notwithstanding anything to the contrary in the foregoing, it understands that Offer Shares may not be deposited into an unrestricted depositary receipt facility in respect of Offer Shares established or maintained by a depositary bank unless and until such time as such Offer Shares are no longer 'restricted securities' within the meaning of Rule 144(a)(3) under the Securities Act;

(vi) It agrees that it will give to each person to whom it offers, resells, pledges or otherwise transfers Offer Shares notice of any restrictions on transfer of such Offer Shares; and

(vii) It acknowledges that the Company, the Underwriters and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Offer Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any Offer Shares as a fiduciary or agent for one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account (in which case it hereby makes such acknowledgements, representations and agreements on behalf of such QIBs as well).

(viii) The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.

Prospective purchasers are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A.

Regulation S

Each purchaser of the Offer Shares outside of the United States pursuant to Regulation S, by its acceptance of delivery of this Prospectus or the Offer Shares, will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

(i) It is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations;

(ii) It is, or at the time the Offer Shares were purchased will be, the beneficial owner of such Offer Shares and (a) is, and the person, if any, for whose account it is acquiring the Offer Shares is, outside the United States (within the meaning of Regulation S) and is purchasing such Offer Shares in an "offshore transaction" in accordance with Rule 903 or 904 of Regulation S; (b) is not an affiliate of the company or a person acting on behalf of such an affiliate; and (c) is not in the business of buying or selling securities or, if it is in such business, it did not acquire such Offer Shares from the company or an affiliate thereof in the initial distribution of such Offer Shares;

(iii) It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that such Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction within the United States;

(iv) It (a) acknowledges that the Company, the Underwriters and their respective affiliates will rely upon the truth and accuracy of the acknowledgements, representations and agreements in the foregoing paragraphs and (b) agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Offer Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any Offer Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account (in which case it hereby makes such acknowledgements, representations and agreements on behalf of such accounts as well);

(v) It is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus; and

(vi) The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.

European Economic Area

In relation to each EEA Member State (each a "**Relevant Member State**"), no Offer Shares have been offered or will be offered pursuant to the Offering to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Regulation, except that the Offer Shares may be offered to the public in that Relevant Member State at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall require the Company and/or Selling Shareholders or any Bank to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an 'offer to the public' in relation to the Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Offer Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Offer Shares under, the Offering contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Underwriters and their affiliates and the Company that:

(i) it is a qualified investor within the meaning of the Prospectus Regulation; and

(ii) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in article 5 of the Prospectus Regulation, the Offer Shares acquired by it in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any circumstances which may give rise to an offer to the public, other than their offer or resale in a Relevant Member State to Qualified Investors, in circumstances in which the prior consent of the Joint Global Coordinators has been obtained to each such proposed offer or resale.

The Company, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a Qualified Investor and who has notified the Joint Global Coordinators of such fact in writing may, with the prior consent of the Joint Global Coordinators, be permitted to acquire Offer Shares in the Offering.

United Kingdom

This Prospectus and any other material in relation to the Offer Shares described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with persons who are (i) persons having professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the FPO; or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the FPO; (iii) outside the UK; or (iv) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Offer Shares may otherwise lawfully be communicated or caused to be communicated, (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares are only available in the UK to, and any invitation, offer or agreement to purchase or otherwise acquire the Offer Shares will be engaged in only with, the Relevant Persons. This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the UK. Any person in the UK that is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

No Offer Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the Financial Conduct Authority, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Global Coordinators for any such offer; or

(iii) in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of the Offer Shares shall require the Company and/or any Underwriters or any of their affiliates to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Offer Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Each person in the UK who acquires any Offer Shares in the Offer or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company, the Underwriters and their affiliates that it meets the criteria outlined in this section.

Australia

This document (a) does not constitute a prospectus or a product disclosure statement under the Corporations Act 2001 of the Commonwealth of Australia ("**Corporations Act**"); (b) does not purport to include the information required of a prospectus under Part 6D.2 of the Corporations Act or a product disclosure statement under Part 7.9 of the Corporations Act; has not been, nor will it be, lodged as a disclosure document with the Australian Securities and Investments Commission ("**ASIC**"), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and (c) may not be provided in Australia other than to select investors ("**Exempt Investors**") who are able to demonstrate that they (i) fall within one or more of the categories of investors under section 708 of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act, and (ii) are "wholesale clients" for the purpose of section 761G of the Corporations Act.

The Offer Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for, or buy, the Offer Shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any Offer Shares may be distributed, received or published in Australia, except where disclosure to investors is not required under Chapters 6D and 7 of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Offer Shares, each purchaser or subscriber of Offer Shares represents and warrants to the Company, the Underwriters and their affiliates that such purchaser or subscriber is an Exempt Investor.

As any offer of Offer Shares under this document, any supplement or the accompanying prospectus or other document will be made without disclosure in Australia under Parts 6D.2 and 7.9 of the Corporations Act, the offer of those Offer Shares for resale in Australia within 12 months may, under the Corporations Act, require disclosure to investors if none of the exemptions in the Corporations Act applies to that resale. By applying for the Offer Shares each purchaser or subscriber of Offer Shares undertakes to the Company and the Underwriters that such purchaser or subscriber will not, for a period of 12 months from the date of issue or purchase of the Offer Shares, offer, transfer, assign or otherwise alienate those Offer Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Canada

The Offer Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45–106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31–103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Offer Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33–105 *Underwriting Conflicts* ("**NI 33–105**"), the Underwriters are not required to comply with the disclosure requirements of NI 33–105 regarding underwriter conflicts of interest in connection with this offering.

Japan

The Offer Shares have not been and will not be registered under the Financial Instruments and Exchange Law (Law No.25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than: (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA; (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA; or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Offer Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (however described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Offer Shares pursuant to an offer made under Section 275 of the SFA except:

    (i) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

    (ii) where no consideration is or will be given for the transfer; where the transfer is by operation of law;

    (iii) as specified in Section 276(7) of the SFA;

    (iv) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Hong Kong

This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of the Prospectus or any documents issued in connection with it. Accordingly: (a) the Offer Shares may not be offered or sold in Hong Kong by means of this document or any other document other than to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong); and (b) no person shall issue or possess for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Offer Shares which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as set out above).

No person sold Offer Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. Potential equity investors are advised to exercise caution in relation to the offer. Potential equity investors in doubt about any contents of this document should obtain independent professional advice.

People's Republic of China

The Offer Shares may not be offered, sold or delivered, or offered, sold or delivered to any person for reoffering, resale or redelivery, directly or indirectly, in the PRC in contravention of any applicable laws. Neither the Company nor the Underwriters represent that this Prospectus may be lawfully distributed, or that any securities may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Company or the Underwriters which would permit a public offering of any securities or distribution of this document in the PRC. For this purpose, the term "PRC" excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

Abu Dhabi Global Market

The Offer Shares have not been offered and will not be offered to any persons in the ADGM except on the basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules of the Financial Services Regulatory Authority (the "**FSRA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.4 of the FSRA Conduct of Business Rulebook.

TAXATION

Taxation in the Netherlands

This section outlines the principal Dutch tax consequences of the acquisition, holding, settlement, redemption and disposal of the Shares. It does not present a comprehensive or complete description of all aspects of Dutch tax law which could be relevant to a holder of Shares (a "**Shareholder**"). For Dutch tax purposes, a Shareholder may include an individual or entity not holding the legal title to the Shares, but to whom, or to which, the Shares are, or the income from the Shares is, nevertheless attributed based either on this individual or entity owning a beneficial interest in the Shares or on specific statutory provisions. These include statutory provisions attributing Shares to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the Shares.

This section is intended as general information only. Prospective Shareholders should consult their own tax adviser regarding the tax consequences of any acquisition, holding or disposal of Shares.

This section is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date of this Prospectus, including the tax rates applicable on that date, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

Any reference in this section made to Dutch taxes, Dutch tax or Dutch tax law should be construed as a reference to any taxes of any nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities or to the law governing such taxes, respectively.

In this section any reference to European Union ("**EU**") member states should be construed as not including the United Kingdom.

Any reference made to a treaty for the avoidance of double taxation concluded by the Netherlands includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), the Tax Regulation for the State of the Netherlands (*Belastingregeling voor het land Nederland*), the Tax Regulations for the Netherlands and Curacao (*Belastingregeling Nederland Curaçao*), the Tax Regulations for the Netherlands and St. Maarten (*Belastingregeling Nederland Sint Maarten*) and the Agreement between the Taipei Representative Office in the Netherlands and the Netherlands Trade and Investment Office in Taipei for the avoidance of double taxation.

This section does not describe any Dutch tax considerations or consequences that may be relevant where a Shareholder:

(i) is an individual and the Shareholder's income or capital gains derived from the Shares are attributable to employment activities, the income from which is taxable in the Netherlands;

(ii) has a substantial interest (*aanmerkelijk belang*) or a fictitious substantial interest (*fictief aanmerkelijk belang)* in the Company within the meaning of chapter 4 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*)

(iii) is an entity that, although it is in principle subject to Dutch corporate income tax under the Dutch Corporate Income Tax Act 1969 (Wet op de vennootschapsbelasting 1969) (the "**CITA**"), is not subject to Dutch corporate income tax or is fully or partly exempt from Dutch corporate income tax (such as a qualifying pension fund as described in section 5 CITA and a tax exempt investment fund (*vrijgestelde beleggingsinstelling*) as described in Section 6a CITA);

(iv) is an investment institution (*beleggingsinstelling*) as described in Section 28 CITA; or

(v) is required to apply the participation exemption (*deelnemingsvrijstelling*) with respect to the Shares (as defined in Section 13 CITA). Generally, a Shareholder is required to apply the participation exemption if it is subject to Dutch corporate income tax and it, or a related entity, holds an interest of 5 per cent. or more of the nominal paid-up share capital in the Company.

Withholding Tax

A Shareholder is generally subject to Dutch dividend withholding tax at a rate of 15 per cent. on dividends distributed by the Company. Generally, the Company is responsible for the withholding of such dividend withholding tax at source.

Dividends distributed by the Company include, but are not limited to:

(i) distributions of profits in cash or in kind, whatever they be named or in whatever form;

(ii) proceeds from the liquidation of the Company or proceeds from the repurchase of Shares by the Company, other than as a temporary portfolio investment (*tijdelijke belegging*), in excess of the average paid-up capital recognised for Dutch dividend withholding tax purposes;

(iii) the par value of the Shares issued to a Shareholder or an increase in the par value of the Shares, to the extent that no related contribution, recognised for Dutch dividend withholding tax purposes, has been made or will be made (for this purpose, the par value of the Shares issued to a Shareholder or an increase in the par value of the Shares is recognised as a contribution for Dutch dividend withholding tax purposes if the par value is validly charged against capital recognised for Dutch dividend withholding tax purposes); and

(iv) partial repayment of paid-up capital, that is

- not recognised for Dutch dividend withholding tax purposes, or
- recognised for Dutch dividend withholding tax purposes, to the extent that the Company has "net profits" (*zuivere winst*), unless (a) the general meeting of shareholders has resolved in advance to make this repayment, and (b) the par value of the Shares concerned has been reduced by an equal amount by way of an amendment to the Articles of Association. The term "net profits" includes anticipated profits that have yet to be realised.

Subject to certain exceptions under Dutch domestic law, the Company may not be required to transfer to the Dutch tax authorities the full amount of Dutch dividend withholding tax due in respect of dividends distributed by the Company, if the Company has received a profit distribution from a qualifying foreign subsidiary as described in Section 11 of the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) (the "**DWTA**"), which distribution (i) is exempt from Dutch corporate income tax and (ii) has been subject to a foreign withholding tax of at least 5 per cent. The amount that does not have to be transferred to the Dutch tax authorities can generally not exceed the lesser of either (a) 3 per cent. of the dividends distributed by the Company, or (b) 3 per cent. of the profit distributions the Company received from qualifying foreign subsidiaries in the calendar year in which the Company distributes the dividends (up to the moment of this dividend distribution) and the two previous calendar years; further limitations and conditions apply.

If a Shareholder is resident or deemed to be resident in the Netherlands, such Shareholder is generally entitled to a credit for any Dutch dividend withholding tax against his, her or its Dutch tax liability and to a refund of any residual Dutch dividend withholding tax.

Depending on specific circumstances, a Shareholder resident in a country other than the Netherlands may be entitled to exemptions from, reduction of, or full or partial refund of, Dutch dividend withholding tax under Dutch law, EU law, the agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the EU and the European Atomic Community (but only for Dutch tax events arising up to and including 31 December 2020 (which date may be extended) ("Final Transition Date")), or treaties for the avoidance of double taxation.

A Shareholder that is resident (i) in an EU member state, or (ii) the United Kingdom (for Dutch tax events arising up to and including the Final Transition Date), or (iii) in a state that is a party to the Agreement on the European Economic Area ("EEA"; Iceland, Liechtenstein or Norway), or (iv) in a designated third state with which the Netherlands has agreed to an arrangement for the exchange of information on tax matters, is entitled to a full or partial refund of Dutch dividend withholding tax incurred in respect of the Shares if the final tax burden in respect of the dividends distributed by the Company of a comparable Dutch resident shareholder is lower than the withholding tax incurred by the non-Dutch resident Shareholder. The refund is granted upon request, and is subject to conditions and limitations. No entitlement to a refund exists if the disadvantage for the non-Dutch resident Shareholder is entirely compensated in his, her or its state of residence under the provisions of a treaty for the avoidance of double taxation concluded between this state of residence and the Netherlands.

According to Dutch domestic anti-dividend stripping rules, no credit against Dutch tax, exemption from, reduction, or refund of Dutch dividend withholding tax will be granted if the recipient of the dividends paid by the Company is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of those dividends.

The DWTA provides for a non-exhaustive negative description of a beneficial owner. According to the DWTA, a Shareholder will not be considered the beneficial owner of the dividends if as a consequence of a combination of transactions:

(i) a person other than the Shareholder wholly or partly, directly or indirectly, benefits from the dividends;

(ii) whereby this other person retains or acquires, directly or indirectly, an interest similar to that in the Shares on which the dividends were paid; and

(iii) that other person is entitled to a credit, reduction or refund of Dutch dividend withholding tax that is less than that of the Shareholder.

Taxes on Income and Capital Gains

Residents of the Netherlands

The description of certain Dutch tax consequences in this section is only intended for the following Shareholders:

(i) individuals who are resident or deemed to be resident in the Netherlands ("**Dutch Resident Individuals**"); and

(ii) entities or enterprises that are subject to the CITA and are resident or deemed to be resident in the Netherlands ("**Dutch Resident Corporate Entities**").

Dutch Resident Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Dutch Resident Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities (*resultaat uit overige werkzaamheden*) are generally subject to income tax at statutory progressive rates with a maximum of 49.5 per cent. on any benefits derived or deemed to be derived from the Shares, including any capital gains realised on any disposal of the Shares, where those benefits are attributable to:

(i) an enterprise from which a Dutch Resident Individual derives profits, whether as an entrepreneur (*ondernemer*) or by being co-entitled (*medegerechtigde*) to the net worth of this enterprise other than as an entrepreneur or shareholder; or

(ii) miscellaneous activities, including activities which are beyond the scope of active portfolio investment activities (*meer dan normaal vermogensbeheer*).

Dutch Resident Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Generally, the Shares held by a Dutch Resident Individual who is not engaged or deemed to be engaged in an enterprise or in miscellaneous activities, or who is so engaged or deemed to be engaged but the Shares are not attributable to that enterprise or miscellaneous activities, will be subject to an annual income tax imposed on a fictitious yield on the Shares under the regime for savings and investments (inkomen uit sparen en beleggen). Irrespective of the actual income or capital gains realised, the annual taxable benefit from a Dutch Resident Individual's assets and liabilities taxed under this regime, including the Shares, is set at a percentage of the positive balance of the fair market value of these assets, including the Shares, and the fair market value of these liabilities. The percentage increases:

(i) from 1.7893 per cent. over the first EUR 72,797 of such positive balance;

(ii) to 4.1859 per cent. over any excess positive balance between EUR 72,797.01 up to and including EUR 1,005,572; and

(iii) to a maximum of 5.28 per cent. over any excess positive balance of EUR 1,005,572.01 or higher.

The percentages under (i) to (iii) will be reassessed each year and the amounts under (i) to (iii) will be adjusted for inflation each year. No taxation occurs if this positive balance does not exceed a certain threshold (*heffingvrij vermogen*). The fair market value of assets, including the Shares, and liabilities that are taxed under this regime is measured once in each calendar year on 1 January. The tax rate under the regime for savings and investments is a flat rate of 30 per cent.

Dutch Resident Corporate Entities

Dutch Resident Corporate Entities are generally subject to corporate income tax at statutory rates up to 25 per cent. on any benefits derived or deemed to be derived from the Shares, including any capital gains realised on their disposal.

Non-Residents of the Netherlands

The description of certain Dutch tax consequences in this section is only intended for the following Shareholders:

(i) individuals who are not resident and not deemed to be resident in the Netherlands ("**Non-Dutch Resident Individuals**"); and

(ii) entities that are not resident and not deemed to be resident in the Netherlands ("**Non-Dutch Resident Corporate Entities**").

Non-Dutch Resident Individuals

A Non-Dutch Resident Individual will not be subject to any Dutch taxes on income or capital gains derived from the purchase, ownership and disposal or transfer of the Shares, other than withholding tax as described above, unless:

(i) the Non-Dutch Resident Individual derives profits from an enterprise, whether as entrepreneur or by being co-entitled to the net worth of this enterprise other than as an entrepreneur or shareholder and this enterprise is fully or partly carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the Shares are attributable;

(ii) the Non-Dutch Resident Individual derives benefits from miscellaneous activities carried on in the Netherlands in respect of the Shares, including activities which are beyond the scope of active portfolio investment activities; or

(iii) the Non-Dutch Resident Individual is entitled to a share - other than by way of securities - in the profits of an enterprise, which is effectively managed in the Netherlands and to which the Shares are attributable.

Non-Dutch Resident Corporate Entities

A Non-Dutch Resident Corporate Entity will not be subject to any Dutch taxes on income or capital gains derived from the purchase, ownership and disposal or transfer of the Shares, other than withholding tax as described above, unless:

(i) the Non-Dutch Resident Corporate Entity derives profits from an enterprise, which is fully or partly carried on through a permanent establishment or a permanent representative in the Netherlands to which the Shares are attributable; or

(ii) the Non-Dutch Resident Corporate Entity is entitled to a share - other than by way of securities - in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which the Shares are attributable.

Under certain specific circumstances, Dutch taxation rights may be restricted for Non-Dutch Resident Individuals and Non-Dutch Resident Corporate Entities pursuant to treaties for the avoidance of double taxation.

Dutch Gift Tax or Inheritance Tax

No Dutch gift tax or inheritance tax is due in respect of any gift of the Shares by, or inheritance of the Shares on the death of, a Shareholder, unless:

(i) the Shareholder is resident, or is deemed to be resident, in the Netherlands at the time of the gift or death of the Shareholder;

(ii) the Shareholder dies within 180 days after the date of the gift of the Shares and was, or was deemed to be, resident in the Netherlands at the time of the Shareholder's death but not at the time of the gift; or

(iii) the gift of the Shares is made under a condition precedent and the Shareholder is resident, or is deemed to be resident, in the Netherlands at the time the condition is fulfilled.

Other Taxes and Duties

No other Dutch taxes, including of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by, or on behalf of, the Shareholder by reason only of the purchase, ownership and disposal of the Shares.

Certain United States Federal Income Tax Considerations

The following is a description of certain United States federal income tax consequences to the U.S. Holders described below of the ownership and disposition of the Shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person’s decision to acquire the Shares. This discussion applies only to U.S. Holders that acquire Shares in the Offering and hold them as capital assets. In addition, this discussion does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including alternative minimum tax consequences, any aspect of the Medicare contribution tax on “net investment income” and tax consequences applicable to U.S. investors subject to special rules, such as:

- banks and certain financial institutions;
- regulated investment companies;
- real estate investment trusts;
- insurance companies;
- dealers or certain traders in securities;
- persons holding Shares as part of a straddle, hedging, constructive sale, conversion or integrated transaction;
- persons whose functional currency for United States federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for United States federal income tax purposes;
- tax-exempt entities, individual retirement accounts, or “Roth IRAs”;
- persons that own or are deemed to own 10 per cent. or more of the Company’s stock by vote or value;
- United States expatriates; or

- persons holding Shares in connection with a trade or business outside the United States.

If you are a partnership for United States federal income tax purposes, the United States federal income tax treatment to you and your partners generally will depend on the status of the partners and your activities. If you are a partnership owning Shares or a partner in such partnership, you should consult your tax adviser as to your particular United States federal income tax consequences of owning and disposing of the Shares.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Internal Revenue Code**"), administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, and the income tax treaty between the Netherlands and the United States (the Treaty), all as of the date hereof, any of which is subject to change, possibly with retroactive effect.

You are a "U.S. Holder" for purposes of this discussion if you are for United States federal income tax purposes a beneficial owner of Shares and:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organised in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

You should consult your tax adviser with regard to the application of the United States federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Taxation of Distributions

Subject to the discussion under "*Passive Foreign Investment Company Rules*" below, distributions paid on the Shares (including the amount of any Dutch taxes withheld, but excluding any amount not remitted to the Dutch tax authorities, as described below), other than certain pro rata distributions of Shares to all shareholders, will be treated as dividends to the extent paid out of the Company's current or accumulated earnings and profits, as determined under United States federal income tax principles. Because the Company does not maintain calculations of its earnings and profits under United States federal income tax principles, it is expected that distributions generally will be reported to you as dividends.

Subject to applicable limitations, if you are a non-corporate U.S. Holder, dividends paid to you may be eligible for taxation as "qualified dividend income" and therefore may be taxable at a reduced rate. You should consult your tax adviser regarding the availability of the reduced tax rate on dividends. Dividends will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Internal Revenue Code.

Dividends will generally be included in your income on the date of receipt. The amount of any dividend income paid in EUR will be the U.S. dollar amount calculated by reference to the spot rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt, you should not be required to recognise foreign currency gain or loss in respect of the amount received. You may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt, and any such gain or loss will be U.S.-source ordinary income or loss.

Subject to applicable limitations, some of which vary depending upon your circumstances, Dutch income taxes withheld from dividends on Shares at a rate not exceeding any applicable Treaty rate will be creditable against your United States federal income tax liability. As described in "*Taxation in the Netherlands—Withholding Tax*", upon making a distribution to shareholders, the Company may be permitted to retain a portion of the amounts withheld as Dutch dividend withholding tax. The amount of Dutch withholding tax that the Company retains reduces the amount of dividend withholding tax that the Company is required to pay to the Dutch tax authorities, but does not reduce the amount of tax the Company is required to withhold from dividends paid to U.S. Holders. In these circumstances, the portion of dividend withholding tax that the Company retains with respect to dividends distributed to U.S. Holders will not qualify as a creditable tax for U.S. foreign tax credit purposes. The rules governing foreign tax credits are complex, and you should consult your tax adviser regarding the creditability of Dutch taxes in your particular circumstances. Subject to applicable limitations, in lieu of claiming a foreign tax credit, you may elect to deduct foreign taxes, including any Dutch taxes, in computing your taxable income. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the relevant taxable year.

Sale or Other Taxable Disposition of Shares

Subject to the discussion under "*Passive Foreign Investment Company Rules*" below, you generally will recognise capital gain or loss on a sale or other taxable disposition of the Shares equal to the difference between the amount realised on the sale or disposition and your tax basis in the Shares, each as determined in U.S. dollars. Such capital gain or loss will be long-term capital gain or loss if at the time of sale or disposition the Shares have been held for more than one year. Any gain or loss will generally be U.S.-source for foreign tax credit purposes. The deductibility of capital losses is subject to limitations. You should consult your tax adviser regarding the treatment of proceeds from a sale or other taxable disposition of the Shares received in currency other than the U.S. dollar, including the possible recognition of any foreign currency gain or loss.

Passive Foreign Investment Company Rules

In general, a non-U.S. corporation will be a PFIC for any taxable year in which (i) 75 per cent. or more of its gross income consists of passive income or (ii) 50 per cent. or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25 per cent. by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes interest, rents, dividends, royalties and certain gains. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash generally is a passive asset.

Based on the nature of its business and the expected composition of its income and assets and the value of its assets, including goodwill, which is based on the expected price of the Shares in this Offering, there is a significant risk that the Company may be classified as a PFIC for its current taxable year ending 31 December 2021, and may be so classified in future taxable years. See "*Risk Factors—Risks Relating to the Shares—Risks related to the Offering and Offer Shares—There is a significant risk that the Company may be a passive foreign investment company for United States federal income tax purposes for the current year and in future years, which could cause U.S. holders of the Shares to suffer adverse tax consequences.*" for more information. Because (i) a company's PFIC status is an annual determination that can be made only after the end of each taxable year, (ii) the Company's PFIC status for each taxable year will depend on the composition of its income and assets and the value of its assets from time to time (which may be determined by reference to the market value of the Shares, which may be volatile), and (iii) the Company will hold a substantial amount of cash following this Offering, the Company cannot assure you that it will not be a PFIC for the current or any future taxable year.

If the Company were a PFIC for any taxable year and any entity in which the Company owns or is deemed to own equity interests were also a PFIC (any such entity, a "Lower-tier PFIC"), you would be deemed to own a proportionate amount (by value) of the shares of each Lower-tier PFIC and would be subject to United States federal income tax according to the rules described in the next paragraph on (i) certain distributions by a Lower-tier PFIC and (ii) dispositions of shares of Lower-tier PFICs, in each case as if you held such shares directly, even though you did not receive any proceeds of those distributions or dispositions.

Generally, if the Company were a PFIC for any taxable year during which you held the Shares, gains recognised upon a disposition (including, under certain circumstances, a pledge) of Shares by you would be allocated ratably over your holding period for such Shares. The amounts allocated to the taxable year of disposition and to years before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the resulting tax liability for each taxable year. Further, to the extent that any distribution you receive on your Shares exceeds 125 per cent. of the average of the annual distributions on such Shares received during the preceding three years or your holding period, whichever is shorter, that distribution would be subject to taxation in the same manner. If the Company were a PFIC for any year during which you owned Shares, it would generally continue to be treated as a PFIC with respect to you for all succeeding years during which you owned the Shares, even if the Company ceased to meet the threshold requirements for PFIC status.

Where a company that is a PFIC meets certain reporting requirements, a U.S. shareholder can avoid certain adverse PFIC consequences described above by making a "qualified electing fund," or QEF, election to be taxed currently on its proportionate share of the PFIC's ordinary income and net capital gains. The Company does not intend to provide information necessary for U.S. Holders to make qualified electing fund elections. Therefore, you should assume that you will not receive such information from the Company and would therefore be unable to make a QEF election with respect to any of the common shares.

Alternatively, if the Company were a PFIC for any taxable year and if the Shares are "regularly traded" on a "qualified exchange", you could make a mark-to-market election with respect to the Shares (but not with respect to any Lower-tier PFICs, which will be subject to the rules described above) that would result in tax treatment different from the general tax treatment for PFICs described above. The Shares will be treated as "regularly traded" in any calendar year in which more than a *de minimis* quantity of the Shares is traded on a qualified exchange on at least 15 days during each calendar quarter. A non-U.S. exchange is a "qualified exchange" if it is regulated by a governmental authority in the jurisdiction in which the exchange is located and with respect to which certain other requirements are met. The Internal Revenue Service has not identified specific non-U.S. exchanges that are "qualified" for this purpose. Generally, under the mark-to-market election you will recognise at the end of each taxable year (i) ordinary income in respect of any excess of the fair market value of the Shares over their adjusted tax basis or (ii) ordinary loss in respect of any excess of the adjusted tax basis of the Shares over their fair market value (but only to the extent of the net amount of income previously included as a result of the mark-to- market election). If you make the election, your tax basis in the Shares will be adjusted to reflect these income or loss amounts. Distributions on the shares received by a U.S. Holder that has made a mark-to-market election will generally be treated as discussed above under "*—Taxation of Distributions.*" Any gain recognised on the sale or other disposition of Shares in a year when the Company was a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). U.S. Holders should be aware, however, that because a mark-to-market election cannot be made for any Lower-Tier PFICs, they will generally continue to be subject to the PFIC rules discussed above with respect to their indirect interest in any of the Company's subsidiaries that are treated as PFICs for U.S. federal income tax purposes. As a result, it is possible that a mark-to-market election may be of limited benefit.

In addition, if the Company were a PFIC (or treated as a PFIC with respect to you) for the taxable year in which it paid a dividend or for the prior taxable year, the favourable tax rate discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If you own Shares during any year in which the Company were a PFIC, you generally will be required to file annual reports together with your United States federal income tax returns, subject to certain exceptions.

You should consult your tax advisers regarding whether the Company is a PFIC for any taxable year and the potential application of the PFIC rules to your ownership of Shares.

Backup Withholding and Information Reporting

Payments of dividends and sales proceeds that are made within the United States or through U.S. or certain U.S.-related financial intermediaries will generally be subject to information reporting and backup withholding, unless (i) you are an exempt recipient or (ii) in the case of backup withholding, you provide a correct taxpayer identification number and certify that you are not subject to backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability and may entitle you to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals (or certain specified entities) may be required to report information relating to their ownership of Shares, or non-U.S. accounts through which Shares are held. You should consult your tax adviser regarding your reporting obligations with respect to the Shares.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO YOU. EACH PROSPECTIVE PURCHASER SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN SHARES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.

INDEPENDENT AUDITORS

The consolidated financial statements of the Company for the extended period from 1 January 2019 to 31 December 2020, which comprise the consolidated statements of financial position as of 31 December 2020 and 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 and the year ended 31 December 2018, and the related notes to the consolidated financial statements have been audited by KPMG Accountants N.V. ("**KPMG**"), independent auditors, as stated in their report appearing herein.

KPMG is an independent and registered accounting firm with its address at Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands. The auditor signing the auditor's reports on behalf of KPMG is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

GENERAL INFORMATION

Expenses of the Offering and Admission

The expenses payable by the Company related to the Offering and Admission are estimated at approximately EUR 35.75 million (assuming the sale of the maximum number of Offer Shares at the mid-point of the Offer Price Range) and include, among other items, the fees due to the AFM and Euronext Amsterdam N.V. (in relation to the Admission), the commission for the Underwriters, and legal and administrative expenses, as well as publication costs and applicable taxes, if any. The expenses payable by the Sole Shareholder in relation to the Over-Allotment Option (if exercised in full) are estimated to amount to approximately EUR 3.75 million. See also "*Reasons for the Offering and Use of Proceeds—Use of Proceeds*".

Significant changes in the value of the Portfolio

No material change in the value of the Portfolio has occurred since the date of valuation of the Group's properties included in the Valuation Report.

Availability of Documents

The following documents (or copies thereof) may be obtained free of charge from the Company's website (www.ctp.eu) from the date of this Prospectus (except for the Pricing Statement, which will be available after pricing of the Offering) until at least 12 months thereafter:

- this Prospectus, including the Financial Statements, the Valuation Report and the Market Report;
- the Articles of Association;
- the Board Rules, including the rules for the Audit Committee and the Nomination and Remuneration Committee; and
- the Pricing Statement.

The Pricing Statement will be available after pricing of the Offering.

DEFINITIONS

The following definitions are used in this Prospectus:

Aareal Facilities Agreement	Facilities agreement dated 11 September 2020 between CTP Finance Czech B.V., two property companies owning a significant part of the Group's industrial portfolio in the Czech Republic and Aareal Bank AG which provides for term loan facilities in the aggregate amount of EUR 403.5 million
ADGM	Abu Dhabi Global Market
Adjusted EBITDA	EBITDA adjusted for items that are not indicative of the Group's ongoing operating performance such as net valuation result on investment property, other financial expense, other financial gains and losses, profit (loss) on disposal of investment properties and the net result from the turn-key development project in Stříbro in the Czech Republic
Admission	The admission to listing and trading of all ordinary shares in the capital of the Company on Euronext Amsterdam, a regulated market of Euronext Amsterdam N.V.
AFM	The Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*)
Allocation	The allocation of the Offer Shares, expected to take place after termination of the Offering Period. Allotment to investors will be determined by the Company at full discretion as to whether or not and how to allot the Offer Shares
Annual Accounts	The annual accounts referred to in article 2:391 BW
APMs	Alternative performance measures as defined by the "*ESMA Guidelines on Alternative Performance Measures*" issued by the European Securities and Markets Authority on 5 October 2015
Articles of Association	The articles of association of the Company as they will read after the conversion into a public limited liability company on the Settlement Date
ASIC	The Australian Securities and Investments Commission
ASTI	Above standard tenant improvements (improvements upon request of the tenant or future tenant above the Group's standard)
Audit Committee	Audit committee of the Board
Average Cost of Debt	The total of bank interest expense, interest expense from financial derivatives and interest expense from bonds issued for the reporting period divided by the average total balance of interest-bearing loans and borrowings from financial institutions and bonds issued for that same period
Board	The board (*raad van bestuur*) of the Company
Board Rules	The rules regarding the Board's functioning and internal organisation of the Company
BREEAM	Building research establishment environmental assessment method
BW	Dutch Civil Code
CAGR	Compound annual growth rate
CBRE	CBRE Group, Inc. and its affiliates

CEE	The Central and Eastern Europe region
CEO	Chief executive officer of the Company
CET	Central European Time
CITA	The Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*)
Company	CTP N.V. (at the date of this prospectus a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) named CTP B.V., expected to be converted into a public limited liability company (*naamloze vennootschap*) on the Settlement Date pursuant to a notarial deed of amendment of the articles of association and conversion in accordance with a resolution of the General Meeting to be adopted on the Settlement Date)
Company specific Adjusted Earnings	EPRA Earnings adjusted for the after (deferred) tax effect from the adjustment for rental income for sold portfolio, impairment/depreciation on hotel portfolio and acquisitions, foreign exchange gains/losses related to company restructuring and associated costs with establishment capital market structure
Company specific Adjusted Earnings per Share	Company specific Adjusted Earnings based upon the number of shares as of end of period
Corporations Act	Corporations Act 2001 of the Commonwealth of Australia
COVID-19	Strain of a novel coronavirus disease SARS-CoV-2
CTP Invest	CTP Invest, spol. s.r.o.
CTP Invest Sub-Group	CTP Invest with its consolidated subsidiaries as the development and property management arm
CTP Property Sub-Group	CTP Property B.V. with its consolidated subsidiaries as the holding entities of the income producing property portfolio of the Group
Czech Portfolio Facilities Agreement	Facilities agreement 12 June 2019, as amended, between CTP Industrial Property CZ, spol. s r.o. and property companies owning the majority of the Group's industrial portfolio in the Czech Republic and with, among others, Erste Group Bank AG, Česká spořitelna, a.s., Société Générale S.A., Komerční banka, a.s., UniCredit S.p.A. and UniCredit Bank Czech Republic and Slovakia, a.s. as mandated lead arrangers, Komerční banka, a.s. as agent, Deutsche Pfandbriefbank AG as security agent and certain financial institutions named therein as original lenders and original hedge counterparties, which provides for term loan facilities in the aggregate amount of EUR 1,619 million, a committed development facility up to the amount of EUR 270 million and a committed incremental facility in the aggregate amount of EUR 216 million
Deed of Amendment	A notarial deed of conversion and amendment of the articles of association of the Company in accordance with an adopted resolution of the General Meeting in matter of conversion of the Company to a public limited liability company (*naamloze vennootschap*)
DEKA Guarantees	Specific guarantees to Deka Immobilien and Westinvest provided by the Group including (i) a rental guarantee regarding vacant premises, rent shortfall and outstanding tenant incentives, (ii) tenant guarantees regarding defaults, break options and non-solicitation, and (iii) a technical guarantee for the repairs of the buildings

DEKA SPA	Ownership interests sale and purchase agreement relating to CTP Portfolio A Plzen Park, Teplice Park and Prague North Park concluded between Deka Immobilien and Westinvest
Deka Immobilien	DEKA Immobilien Investment GmbH
Delegated Regulation	Commission Delegated Regulation (EU) No. 2019/980
DIP	A deferred incentive plan, which provides a mechanism for the deferral of part of a participant's incentive into a DIP Award
DIP Award	A deferred award of cash and/or a deferred award of Shares
Director	A member of the Board
Dutch Resident Corporate Entities	Entities or enterprises that are subject to the CITA and are resident or deemed to be resident in the Netherlands
Dutch Resident Individuals	Individuals who are resident or deemed to be resident in the Netherlands
Dutch SRD Act	The Dutch act to implement the Shareholder Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*)
DWTA	Dutch Dividend Withholding Tax Act
EBITDA	Profit or loss for the period attributable to parent excluding Income tax expenses, interest income, interest expense and depreciation and amortisation
EEA	European Economic Area
EMTN Programme	EUR 4,000,000,000 Euro Medium Term Note Programme established by the Company in September 2020. Morgan Stanley & Co. International plc acted as arranger, Erste Group Bank AG, J.P. Morgan Securities plc, Morgan Stanley & Co. International plc, Raiffeisen Bank International AG, Société Générale and UniCredit Bank AG as dealers, Citicorp Trustee Company Limited as trustee, Citibank, N.A., London Branch as principal paying agent and transfer agent and Citigroup Global Markets Europe AG as registrar
Enterprise Chamber	The Dutch enterprise chamber of the court of appeal in Amsterdam *(Ondernemingskamer van het Gerechtshof te Amsterdam)*
EPRA Earnings	The profit for the period adjusted for the after (deferred) tax effect from the exclusion of the net valuation result, the change in the fair value of financial instruments and associated close-out costs, result from disposals of investment properties and other interests and foreign currency translation result
EPRA Earnings per Share	EPRA Earnings based upon the weighted average number of shares as of end of period
EPRA Net Initial Yield	Annualised rental income based upon the cash passing rent at balance sheet date less non recoverable property operating expenses divided by the market value of income-generating investment property
EPRA NTA or EPRA Net Tangible Assets	Total equity attributable to owners of the Company excluding deferred tax in relation to net valuation result of investment property and investment property under development with intention to hold and not sell in the long run, excluding Fair value of financial instruments and excluding of goodwill as a result of deferred tax

EPRA Topped-up Net Initial Yield	Annualised rental income based upon the cash passing rent at balance sheet date less non recoverable property operating expenses adjusted notional rent expiration of for rent free periods and other lease incentives divided by the market value of income-generating investment property
Erste Group	Erste Group Bank AG
EU	European Union
EUR or euro or €	The lawful currency of the European Economic and Monetary Union
Euroclear Nederland	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
Euronext Amsterdam	Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.
Exchange Act	US Securities Exchange Act of 1934, as amended
Executive Committee	Executive Committee of the Company constituted of The Executive Directors and other certain appointed key officers
Executive Committee Members	The members of the Executive Committee who are not also Executive Directors
Executive Directors	Executive Directors of the Company
Exempt Investors	Select investors who are able to demonstrate that they (i) fall within one or more of the categories of investors under section 708 of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act and (ii) are 'wholesale clients' for the purpose of section 761G of the Corporations Act
Existing Shares	Ordinary shares, with a nominal value of EUR 0.16 each, issued by the Company comprising 100 per cent. of its registered share capital prior to the issue of the New Shares
Financial Adviser	Rothschild & Co

Financial Statements	Audited consolidated financial statements of the Company for the extended period from 1 January 2019 to 31 December 2020, which comprise the consolidated statements of financial position as of 31 December 2020 and 2018 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2019 to 31 December 2020 and the year ended 31 December 2018, and the related notes to the consolidated financial statements. These financial statements are a reproduction of the statutory financial statements of the Company and have been provided with an audit opinion by the external auditor for purposes of this prospectus. In addition, the Group included in these financial statements also the unaudited consolidated statement of financial position as of 31 December 2019 and the related unaudited consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the periods 1 January 2019 to 31 December 2019 and 1 January to 31 December 2020. However, such information is not audited
First Trading Date	The date on which trading on an "as-if-and-when-issued" basis in the Shares on Euronext Amsterdam commences, which is expected to be at 9:00 (CET) on or about 25 March 2021
FMSA	Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*)
Founder	Mr. Remon Vos
Framework Agreement	The framework agreement dated 28 January 2021 between CTP Invest and MDC2 regarding future cooperation in sourcing, developing and managing assets in Poland for the Group
FRSA	Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*)
FSRA	Financial Services Regulatory Authority of the ADGM
FTEs	Full time equivalent personnel
GAV	The gross asset value calculated as the aggregate of investment property, investment property under development and property, plant and equipment as presented in the financial statements in accordance with IFRS
GDP	Gross domestic product
General Meeting	General meeting of the Company, being the corporate body, or where the context so requires, the physical meeting of Shareholders
GLA	Gross lettable area
Goldman Sachs	Goldman Sachs Bank Europe SE
Green Bond Framework	The Group's framework developed according to the Green Bond Principles 2018, administrated by the International Capital Market Association
Green Asset Pool	The selected pool of new and existing assets that promote the transition to low-carbon and climate resilient growth and which meet the criteria in the Green Bond Framework
Group	The Company and its Group Companies
Group Companies	The Company's subsidiaries within the meaning of article 2:24b BW
Gross Development Value	Has the meaning given to it in "*Important Information*"

Gross Rental Income	Rental income and service charge income for the relevant period
Gross Yield	Percentage of annual rental income not reflecting any expenses (i.e. property operating expenses, maintenance costs, stamp duty) divided by market value of investment property
IAS	International Accounting Standards
ICR	The ratio of the Group’s total interest expense to Adjusted EBITDA
IFRS	The International Financial Reporting Standards as adopted by the European Union
Indebtedness	Interest-bearing loans and borrowings from financial institutions
ING	ING Bank N.V.
Internal Revenue Code	Internal Revenue Code of 1986, as amended
ISIN	International securities identification number
JLL	Jones Lang LaSalle, s.r.o.
Joint Bookrunners	The Joint Global Coordinators, Kempen and UBS
Joint Global Coordinators	Erste Group, Goldman Sachs and Morgan Stanley in their capacity as joint global coordinators
Joint Lead Managers	ING and Raiffeisen
Kempen & Co	Van Lanschot Kempen Wealth Management N.V.
KPMG	KPMG Accountants N.V.
Leasing Activity	Sum of new contracts or amendments for either newly leased or prolonged premises in given period.
LEI	Legal Entity Identifier
Like-for-Like Rental Income Growth	Organic growth of the contracted rental income year-on-year, excluding development projects, acquisitions, vacancy movement and disposals during both periods of the comparison
Listing and Paying Agent	ING
Lock-up Deeds	The lock-up deeds entered into on or about the date of this Prospectus 2021 between the Executive Directors, respectively, and the Joint Global Co-ordinators (on behalf of themselves and the other Underwriters)
LTIP	Long-term incentive plan
LTIP Awards	Awards of shares granted by Non-Executive Directors or Executive Directors as appropriate
Market Abuse Regulation	Regulation (EU) No 596/2014 on market abuse, as amended

Market Report	Market report dated 28 January 2021 and prepared by JLL at the Company' request
MDC2	Antlia Investments sp. z o.o.
MiFID II	Directive (EU) No 2014/65/EU on markets in financial instruments, as amended
Product Governance Requirements	MiFID II, articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, and local implementing measures
Morgan Stanley	Morgan Stanley Europe S.E.
Multivest	Multivest B.V., the ultimate parent company of the Group
Multivest Loan	Loan provided on 2 June 2017 from Multivest to CTP Invest in amount of EUR 34,363,266.83
MWp	Mega Watt peak
Net LTV	Net loan-to-value ratio, which is the aggregate amount of interest-bearing loans and borrowings from financial institutions plus bonds issued after deduction of cash and cash equivalents as a percentage of GAV
New Shares	The Shares that will be issued by the Company in the Offering
NI 33–105	The Canadian National Instrument 33–105 *Underwriting Conflicts*
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board
Non-Dutch Resident Corporate Entities	Entities that are not resident and not deemed to be resident in the Netherlands
Non-Dutch Resident Individuals	Individuals who are not resident and not deemed to be resident in the Netherlands
Non-Executive Directors	Non-executive Directors of the Company
Occupancy Rate	Proportion of the aggregate GLA of the properties (whether or not capable of being let) which is subject to tenancies at that point in time. For the avoidance of doubt, the aggregate GLA includes areas designated as structurally vacant or under refurbishment. Any development to create new lettable area at any property shall only be included when the relevant space or development is complete and available to generate income
Offer Price	The price of the Offer Shares
Offer Price Range	The indicative price range of EUR 13.50 to EUR 16.00 (inclusive) per Offer Share
Offer Shares	The New Shares and the Over-Allotment Shares
Offering	The offering of Offer Shares that solely consists of (i) private placements in the Netherlands to Qualified Investors and (ii) private placements to certain institutional investors in various other jurisdictions

Offering Period	The period during which the Offering will take place, commencing on 9:00 CET on 17 March 2021 and ending at 14:00 CET on 24 March 2021, subject to acceleration or extension of the timetable for the Offering
Option Contracts	Signed purchase contracts or future purchase contracts of intent in respect of the purchase of further 3.8 million square metres of land mainly in the CEE region between the Group and potential sellers
Over-Allotment Option	The option granted by the Sole Shareholder, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager (on behalf of the Underwriters) may require the Sole Shareholder to sell, at the Offer Price, up to 9,152,550 Existing Shares, such amount not to exceed 15 per cent. of the total number of New Shares sold in the Offering, to cover over-allotments, if any, in connection with the Offering
Over-Allotment Shares	The Shares that may be made available pursuant to the Over-Allotment Option
PFIC	Passive foreign investment company
PRC	People's Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
Pricing Agreement	The pricing agreement between the Company, the Sole Shareholder and the Underwriters, expected to be concluded following the completion of the bookbuilding of the Offering
Pricing Statement	The pricing statement detailing the Offer Price and the exact number of Offer Shares to be sold, which will be filed with the AFM
Prospectus	This prospectus dated 17 March 2021
Prospectus Regulation	Regulation (EU) 2017/1129
PV	Photovoltaic
QIBs	Qualified institutional buyers defined in Rule 144A under the US Securities Act 1933, as amended
Qualified Investor	Qualified investors as defined in article 2 of the Prospectus Regulation
Raiffeisen	Raiffeisen Bank International AG
Red Book	The Royal Institute of Chartered Surveyors Valuation – (incorporating the International Valuation Standards) – January 2020
Regulation S	Regulation S under the US Securities Act
Relevant Member State	Each member state of the EEA
Relevant Person	Has the meaning given to it in "*Selling and Transfer Restrictions*"
Remuneration Policy	The remuneration policy of the Company which will be effective as of the Settlement Date
Rental Collection	Trade receivable more than 15 days overdue as a percentage of the last 12 month's billings including rent, service charges, extra's and tenant direct re-charges

Restructuring	The CTP Property Sub-Group transferred to the Company on 31 October 2019 and the CTP Invest Sub-Group transferred to the Company on 27 January 2020 in order to form the Group as it exists as of the date of the Prospectus
Retention Rate	The part of total rental income that expires in one year and is prolonged with existing clients, as part of the total rental income of leases which expire in the same year.
Rothschild & Co	N.M. Rothschild & Sons Limited
Rule 144A	Rule 144A under the US Securities Act of 1933, as amended
Revolving Credit Facility Agreement	Revolving Credit Facility Agreement dated 18 December 2020 between the Company as borrower and syndicate of banks including Raiffeisen Bank International AG, Československá obchodní banka, a.s., Erste Group Bank AG, ING Bank N.V., Komerční Banka, a.s., and Unicredit Bank Czech Republic and Slovakia, a.s which provides for an unsecured revolving credit facility in the aggregate amount of EUR 100 million
Settlement	Payment (in euro) for the Offer Shares and delivery of the Offer Shares
Settlement Date	The date on which Settlement occurs which is expected to be on or about 29 March 2021, subject to acceleration or extension of the timetable for the Offering
SFA	Securities and Futures Act of Singapore, as modified or amended from time to time
Shareholder(s)	A holder of Shares
Shares	Together the Existing Shares and the New Shares
Sole Shareholder	CTP Holding B.V.
Stabilisation Manager	Morgan Stanley
Stock Lending Agreement	The stock lending agreement entered into on or about the date of this Prospectus between the Sole Shareholder and the Stabilisation Manager
Sub-Groups	CTP Invest Sub-Group together with the CTP Property Sub-Group
Target Market Assessment	A product approval process, which has determined that the Shares are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II
The Netherlands	The part of the Kingdom of the Netherlands located in Europe
UBS	UBS AG London Branch
Underwriters	Each of the Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers
Underwriting Agreement	The underwriting agreement entered into on or about the date of this Prospectus between the Company, the Sole Shareholder and the Underwriters
US or United States	United States of America
US dollars or US$ or USD or $	The US Dollar, the lawful currency in the US

U.S. Holder	A beneficial owner of Offer Shares and (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organised in or under the laws of the United States, any state therein or the District of Columbia; or (iii) an estate or trust the income of which is subject to US federal income taxation regardless of its source
US Securities Act	The United States Securities Act of 1933, as amended
Valuation Report	The condensed valuation report included in this Prospectus prepared, at the Company's request, by JLL issued on 26 February 2021 which provides a market valuation of 400 standing assets, 35 development properties and 89 land sites of the Group located in the Czech Republic, Romania, Hungary, Slovakia, Serbia, Poland, Bulgaria, Slovenia and Austria as of 31 December 2020
Valuation Yield	Annualised rental income as a percentage of investment property owned by the Group, excluding the value of the Group's land bank
WAULT	Weighted average unexpired lease term
Westinvest	Westinvest Gesellschaft fur Investmentfonds mbH
Yield on Cost	Average contracted rental value divided by development cost including land and excluding financing, marketing, rent free periods and project management costs

FINANCIAL STATEMENTS, VALUATION REPORT AND MARKET REPORT

FINANCIAL STATEMENTS

CTP B.V.

ANNUAL REPORT

for the periods ended 31 December 2020 and 31 December 2018

CTP B.V.
Van Deventerlaan 31
3528 AG Utrecht
The Netherlands

Contents

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of CTP B.V. ("the Company") presents its annual report for the period ended as at 31 December 2020. The consolidated financial statements comprise the Company and all its subsidiaries as per the Group structure chart presented in Appendix 1 of annual report ("CTP " or "Group"). CTP's principal activities in 2020 remained the same as in the previous years: development and rental of a commercial and industrial real estate portfolio.

CTP started 2020 by completing its consolidation plan to include all activities undertaken by CTP Invest spol s.r.o. and CTP Property B.V., which process had commenced in 2019. The plan was needed to streamline the organizational structure (following the ownership consolidation per June 2019) enabling CTP to present itself to the international capital markets as one consolidated Group. This consolidation was fully effected by January 27th, 2020, and for the purpose of this report, are included for the period 1 January 2019 up to and including 31 December 2020 including comparative figures, Since then, CTP owns not only the development platform and property manager but also the land bank throughout CEE, as well as the office portfolio and hotels in the Czech Republic. More importantly, from then on, the Group could adequately present itself to the international capital markets, which it entered by the 4th quarter of 2020, when it issued its first green bond under CTP's new EUR 4.0 billion Medium Term Notes (EMTN) programme.

The first financial year of CTP B.V. covers the period 1 January 2019 up to and included 31 December 2020 and comparative figures are included over the period 1 January 2018 up to and including 31 December 2018.

As the comparative figures over 2018 cover 12 months, these are not comparable with the extended financial year 2019/2020 which cover 24 months. For information purposes a breakdown of the extended financial year into the calendar years 2019 and 2020 and the balance sheet as per 31 December 2019 is added.

Over the full year of 2020, CTP reached annual gross rental income including service charge income of EUR 318 million for 2020 compared to EUR 280 million in 2019. The vacancy rate slightly increased from 5.0% to 5.6%. The expectation is that the vacancy rate in 2021 will hover around the Groups' average of approximately 5.0%, reflecting a continued healthy demand for quality rental space in the CEE region and an ongoing positive performance of tenant retention.

With EUR 556 million investments during 2020 (2019 – EUR 408 million) in both standing investment properties and properties under development during 2020, the Group significantly increased its total asset value to EUR 6.4 billion (2019 – EUR 5.5 billion; 2018 – EUR 4.6 billion).

Detailed information related to solvency and liquidity is described in the note 2 of the consolidated financial statements.

The number of equivalent employees working full-time in 2020 was 394 (2019 – 385; 2018 – 374)

During 2020, the focus of CTP was on portfolio extension in CEE countries with the Czech Republic, Hungary and Romania as its primary markets. These countries offer the best potential for supplying new space to existing and new tenants alike. In addition, the Group was able to present its newly established corporate structure to the international debt capital-markets. To that extent, CTP obtained 2 separate investment grade credit ratings: a BBB- rating from Standard & Poors and a Baa3 rating from Moody's Investors' Service. Following this publication, the Group established a EUR 4.0 billion EMTN programme, under which, it successfully raised a total of EUR 1,050 million in bond proceeds through 2 issuances, a 5 year EUR 650 million issue in October 2020 and a 3 year EUR 400 million issue in November 2020.

Since its foundation, CTP's financing has typically been taken out on a long-term basis. The successes of the 2 bond issuances that were realized during 2020 indicate an increasing awareness of the institutional investors for CTP, as well as a growing understanding of the Groups' prudent credit risk profile. The result is that CTP is actively deploying its financing strategy in migrating from being largely financed on the basis of secured bank facilities, to a predominantly unsecured bond funded platform. Importantly, however, CTP intends to maintain its excellent relationships with more than 10 internationally operating commercial lending institutions. It will do so through carefully allocating eligible banking services that it needs on an equal basis over the core group of relationship banks.

The Group expects to continue to benefit from the low interest rates in the near future. With the EMTN programme in place, CTP aims to further diversify its funding sources and hence will likely further refinance part of its standing portfolio in 2021. CTP's financing strategy is geared to migrating from a largely secured bank financed platform to a predominantly unsecured funding through the international debt capital markets.
Importantly, CTP will continue to invest in land plots in order to keep the land bank for new development at a stable level.

Risk policies

Exposure to credit risk, market risk, fraud risk, operational risk and liquidity risk arises in the normal course of Company's business. CTP's internal control of processes and procedures are laid down in its pro-active risk management and quality assurance systems. With the policies followed by CTP, these risks are monitored on a regular basis. For the possible impact on the result and/or financial position in case of changes in the assumptions, we refer to the sensitivity analysis in the risk section, please refer to note 34 in the financial statements.

COVID-19 was a prominent risk factor during 2020. The pandemic has led to a significant disruption in the lives of many people and companies. CTP is of course also impacted by this, although we regard the impact on CTP during 2020 as quite limited.

In 2019 we expected that COVID-19 would have both negative but also positive effects for CTP. In hindsight, management believes that over 2020, the positive ones prevailed for CTP. In addition, management expects that this will continue to be the case over the mid-term, as (i) European supply chains are optimized to cater for more certainty or less reliance on supplies from outside of Europe, (ii) CEE continues to be a best-cost option for manufacturing clients, (iii) e-commerce is driving further demand for logistics' space and (iv) GDP forecasts for the CEE region point at a reasonably attractive outlook for its economies (certainly when compared to the ones in the Western part of the continent). Although some of CTP's tenants may face liquidity issues and may ask for delay of rent payments, the Groups' portfolio very diversified in respect of locations and over 700 tenants. The fact that CTP is not dependent on any single individual tenant provides for great resilience to potential adversities in this respect.

Exposure to interest rate

CTP is financing a substantial part of its project development activities through borrowings. Borrowings can expose CTP Group to movements in interest rates. Apart from its fixed rate Notes that have been issued under the EMTN programme, the Company uses financial instruments to hedge its exposure to interest rate risks.

The contract value or principal amounts of the financial instruments serve only as an indication of the extent to which such financial instruments are used, and not of the value of the credit or market risks.

Supervision over the Market Risks

The supervision within the Company regarding market risk matters resides at the Company's management, which reports to the Board of Directors. Each quarter, when the Board of Directors convenes to approve the interim financial reporting, market risks are reviewed whilst also assessing the potential for impact on the Company's performance.

CTP leases its assets under operating leases to tenants. Denominating rental income and financing in EURO provides a natural hedge against foreign currency risk. Construction vendors are mostly paid in local currencies.

Bank loans are contracted mainly on floating EURIBOR rates, with reference periods between one to six months, increased by a fixed margin. The Group mitigates the resulting interest rate risk by obtaining derivative financial instruments. The bonds that the Group have issued are fixed rate instruments.

Research and development

During 2020, CTP established a new market research department aimed at understanding what is happening in the market for logistics and industrial space today and what the Group can expect for the future. It enables CTP to be one step ahead of the market and to define what it takes to continue to have a competitive edge. On a daily basis, active dialogue is sought with existing and prospective tenants, to understand how their business performs and what they look for in the future. As a result, the Group gets knowledge on which client is looking for space, where they want to be and what their building requirements are – both now and in the future. In addition, the research department obtains first hand information about the quality of CTP's cooperation and where improvements may be needed to increase client satisfaction.

As part of the Groups' innovations efforts, 2020 saw the start of the development of a full cradle-to-cradle CO_2 neutral building, which CTP aims to have ready to be put on the market in 2021. Also, in terms of process innovations for the design team, CTP launched a project on Building Information Management systems, helping to estimate inputs for development studies in much greater detail in order for it to be less dependent on human input. All long-term findings and proof of concepts undertaken in 2020 were included in the new release of CTP's technical guide, the so called " White Book".

Sustainability

During 2020, CTP reached full BREEAM sustainability certification for all properties in its portfolio and those under development as per the beginning of the 2020. Based on this experience the Group has defined its minimum certification levels for its development to be "Excellent". In addition, the Group brought forward the target of being carbon neutral in its own operations from 2023 to 2021. This neutrality will be achieved by compensating its carbon footprint quantum (measured in k tonnes CO2) by activities that absorb and save CO2. These compensating measures mainly comprise the ownership of forests (including land being reforested) and generation of solar power.

Corporate governance

As a privately held company, there is no legal requirement for CTP to install a Supervisory Board overseeing and controlling the Board of Directors.

The Groups has a strong commitment to comply with applicable laws and regulations through the region it operates in. In September 2020, CTP reaffirmed the internal compliance role by appointing a new Group Anti Money Laundering (AML) Compliance Officer. Since then, a tailor-made Group Compliance Programme was rolled out. The Programme is based on Compliance and AML risk analysis, and consists of prevention, detection and reaction pillars. These include implementation of an upgraded Code of Conduct, Compliance Policies, a new Whistleblowing Channel and updated AML law obligations. All the CTP Group staff completed respective Compliance trainings with 100% attendance before end of December 2020.

With the professional support of external compliance advisers as well as our external legal counsel, the up-to-date CTP Group Compliance Programme is now in accordance with respective regulation and follows best practice and globally recognized “guidelines” such as UK Bribery Act, US Foreign Corrupt Practices Act.

Corporate social responsibility

Corporate Social Responsibility is close to CTP’s heart and as a company we endeavor to contribute to the communities in which we are based. We meet this objective by encouraging our employees to abide by CTP’s Code of Conduct which was updated during 2020 fostering integrity and transparency in our operations.

CTP’s strives to be a good neighbor in order to strengthen the local communities where the Group operates. Employees demonstrate their personal commitment by putting time and resources into organizations that promote education, environmental and social well-being activities.

Information on male/female partitioning of board members

As of the date of this report, the Board of Directors only consists of male members. The Company takes the issue of Boardroom diversity seriously and believes that maintaining a balance of experience, skills, knowledge and background is key to its effective performance. It believes gender diversity is an important element of this mix, as evidenced in the Group as a whole where the gender split is nearly 50/50 female-to-male on the total number of 395 employees.

Outlook

For 2021, the overall plan of CTP is to grow the absolute size of its existing portfolio, through construction as well as through strategic acquisitions and replenishment of its landbank. In line with its focus in previous years, CTP will continue developing in its key locations close to capitals, other major cities and dominant logistics hubs but also plans to explore new countries for further growth opportunities. Key will be to keep the vacancy low and to grow in locations where the potential for supplying new quality space to our existing tenants is high.

As part of plans to continue to diversify our funding sources and in order to raise additional capital to support our growth, we are continuing our strategic review of our options in the capital markets, including the possibility to raise equity by way of a joint venture or through an initial public offering.

Conclusion

In conclusion, the Board of Directors confirms that the financial statements give a true and fair view of the assets and liabilities, the financial position and the profit or loss account of the Group. In addition, this report includes references to the significant risks and uncertainties to which the Company is exposed have been described.

Having assessed the current uncertainties related to the COVID-19 virus in particular, also taking into account the estimated completion of the vaccine roll out across the region, the management does not believe that it will have a material impact on the presented financial statements as per 31 December 2020, particularly in regard of the going concern assumption covering the 12 months after the date of this report.

Subsequent events

Poland: On February 4th, 2021 CTP announced its plans to expand its CTPark network concept to satisfy the high demand for logistics properties in Poland by entering a strategic partnership with Poland-based MDC² in order to develop full-service business parks throughout Poland. Construction in the first three locations will start in the first Quarter of 2021 and CTP expects to invest up to EUR 200 million during the first year of the project.

New bond issuance: CTP's latest bond was issued on February 18th, 2021 and priced at a coupon of 0,75%, a further indication of CTP's attraction to investors given that medium to long term bank financing was done around the 2.0% mark in September 2020 through the EUR 415 mln 10-year Aareal facility.

From the receipts out of the bonds issued in February 2021 the Company prematurely repaid in March 2021 loans and borrowings from financial institutions in the total amount of EUR 249,482 thousand.

Utrecht, 15 March 2021

The Board of Directors

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of profit and loss and comprehensive income

Over the period

In EUR thousand	Note	1.1.2019 - 31.12.2020 *			1.1.2020 - 31.12.2020 *			1.1.2019 - 31.12.2019 *			1.1.2018 - 31.12.2018 *		
		Revenues	Attributable external expenses		Revenues	Attributable external expenses		Revenues	Attributable external expenses		Revenues	Attributable external expenses	
Rental income	7	549 921			291 935			257 986			241 960		
Service charge income	7	48 261			25 882			22 379			19 990		
Property operating expenses	9		-77 723			-37 148			-40 575			-29 799	
Net rental income				**520 459**			**280 669**			**239 790**			**232 151**
Hotel operating revenue	8	23 064			5 752			17 312			16 805		
Hotel operating expenses	8		-17 442			-5 897			-11 545			-10 681	
Net operating income from hotel operations				**5 622**			**-145**			**5 767**			**6 124**
Income from development activities	8	53 894			49 411			4 483			1 429		
Expenses from development activities	8		-30 911			-26 984			-3 927			-1 343	
Net income from development activities				**22 983**			**22 427**			**556**			**86**
Total revenues		**675 140**			**372 980**			**302 160**			**280 184**		
Total attributable external expenses			**-126 076**			**-70 029**			**-56 047**			**-41 823**	
				549 064			**302 951**			**246 113**			**238 361**
Net valuation result on investment property	19			**558 937**			**152 162**			**406 775**			**239 380**
Other income	10			13 104			4 010			9 094			49 693
Amortization and depreciation	20			-20 215			-10 462			-9 753			-5 838
Employee benefits	11			-40 141			-22 969			-17 172			-14 848
Impairment of financial assets				-694			-685			-9			-110
Other expenses	12			-50 270			-33 121			-17 149			-24 235
Net other income/expenses				**-98 216**			**-63 227**			**-34 989**			**4 662**
Profit/loss before finance costs				**1 009 785**			**391 886**			**617 899**			**482 403**
Interest income				1 535			953			582			1 953
Interest expense	13			-125 553			-68 534			-57 019			-55 558
Other financial expenses	14			-27 445			-11 501			-15 944			-7 981
Other financial gains/losses	15			-67 188			-22 379			-44 809			1 361
Net finance costs				**-218 651**			**-101 461**			**-117 190**			**-60 225**
Profit/loss before income tax				**791 134**			**290 425**			**500 709**			**422 178**
Income tax expense	16			-146 449			-37 901			-108 548			-60 670
Profit for the period				**644 685**			**252 524**			**392 161**			**361 508**
Other comprehensive income													
Items that will never be reclassified to profit and loss													
Revaluation of PPE net of tax				-3 322			-7 347			4 025			4 397
Items that are or may be reclassified to profit and loss													
Foreign currency translation differences net of tax				10 165			8 473			1 692			538
Total other comprehensive income				**6 843**			**1 126**			**5 717**			**4 935**
Total comprehensive income for the year				**651 528**			**253 650**			**397 878**			**366 443**
Profit attributable to:													
Non-controlling interests				392			406			-14			-3 392
Equity holders of the Company				**644 293**			**252 118**			**392 175**			**364 900**
Total comprehensive income attributable to:													
Non-controlling interests				392			406			-14			-3 392
Equity holders of the Company				**651 136**			**253 244**			**397 892**			**369 835**
Earnings per share													
Basic earnings per share				1,92			0,75			1,17			1,09
Diluted earnings per share				1,92			**0,75**			**1,17**			**1,09**

** The consolidated statement of profit and loss and comprehensive income over the period 1.1.2019-31.12.2020 and 1.1.2018-31.12.2018 represent the statutory reporting period of CTP B.V. The consolidated statement of profit and loss and comprehensive income over the calendar years 2019 and 2020 are added for information purposes, refer to the basis of preparation in note 1.*

The notes on pages 14 to 90 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

In EUR thousand	Note	31 December 2020 *	31 December 2019 *	31 December 2018 *
Assets				
Investment property	17	5,386,230	4,721,358	4,023,968
Investment property under development	18	387,347	440,727	315,357
Property, plant and equipment	20	98,884	117,090	119,763
Intangible assets		2,418	3,305	4,536
Trade and other receivables		11,796	11,755	23,872
Derivative financial instruments	30	--	403	1,047
Financial investments		521	1,280	198
Long-term receivables from related parties	33	42,046	54,257	15,467
Deferred tax assets	31	14,422	7,316	6,776
Total non-current assets		**5,943,664**	**5,357,491**	**4,510,984**
Trade and other receivables	21	67,941	90,395	71,299
Short-term receivables from related parties	33	45	143	310
Derivative financial instruments	30	--	337	402
Contract assets		12,878	8,461	1,343
Current income tax receivable	31	2,692	5,348	6,738
Assets held for sale		--	--	--
Cash and cash equivalents	22	419,141	63,821	46,284
Total current assets		**502,697**	**168,505**	**126,376**
Total assets		**6,446,361**	**5,525,996**	**4,637,360**
Issued capital	23	53,760	--	--
Translation reserve	23	14,458	5,985	4,293
Share premium	23	1,858,460	828,682	138,921
Retained earnings	23	324,862	1,188,547	801,874
Revaluation reserve	23	11,662	19,009	14,984
Total equity attributable to owners of the Company		**2,263,202**	**2,042,223**	**960,072**
Non-controlling interest		**1,031**	**625**	**639**
Total equity		**2,264,233**	**2,042,848**	**960,711**
Liabilities				
Interest-bearing loans and borrowings from financial institutions	26	2,191,999	2,494,935	1,977,334
Bonds issued	27	1,041,971	--	--
Trade and other payables	28	23,385	21,672	17,425
Long-term payables to related parties	33	34,544	41,081	967,199
Derivative financial instruments	30	27,196	11,013	12,379
Provisions		--	--	14
Deferred tax liabilities	31	504,779	491,356	397,577
Total non-current liabilities		**3,823,874**	**3,060,057**	**3,371,928**
Interest-bearing loans and borrowings from financial institutions	26	160,288	182,878	152,255
Trade and other payables	28	169,006	168,448	144,957
Short-term payables to related parties	33	2,627	60,005	181
Derivative financial instruments	30	6,870	5,112	3,794
Current income tax payables	31	19,463	6,648	3,292
Liabilities associated with assets held for sale		--	--	--
Provisions		--	--	242
Total current liabilities		**358,254**	**423,091**	**304,721**
Total liabilities		**4,182,128**	**3,483,148**	**3,676,649**
Total equity and liabilities		**6,446,361**	**5,525,996**	**4,637,360**

** The columns as at 31 December 2020 and 31 December 2018 represent the statutory reporting period of CTP B.V. The column as at 31 December 2019 is added for information purposes, refer to the basis of preparation in note 1.*

The notes on pages 14 to 90 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

Over the period

1.1.2018 - 31.12.2018	*Note*	Issued capital	Translation reserve	Share premium	Revaluation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2018		**0**	**3 755**	**138 921**	**10 587**	**1 577 374**	**1 730 637**	**4 031**	**1 734 668**
Comprehensive income for the period									
Profit for period		--	--	--	--	364 900	364 900	-3 392	361 508
Other comprehensive income									
Revaluation of Plant and equipment	20	--	--	--	4 397	--	4 397	--	4 397
Foreign currency translation differences		--	538	--	--	--	538	--	538
Comprehensive income for the period		**0**	**538**	**0**	**4 397**	**364 900**	**369 835**	**-3 392**	**366 443**
Other movements									
Dividends	23	--	--	--	--	-1 140 400	**-1 140 400**	--	**-1 140 400**
Total other movements		**0**	**0**	**0**	**0**	**-1 140 400**	**-1 140 400**	**0**	**-1 140 400**
Balance at 31 December 2018		**0**	**4 293**	**138 921**	**14 984**	**801 874**	**960 072**	**639**	**960 711**
1.1.2019 - 31.12.2019									
Balance at 1 January 2019		**0**	**4 293**	**138 921**	**14 984**	**801 874**	**960 072**	**639**	**960 711**
Comprehensive income for the period									
Profit for period		--	--	--	--	392 175	392 175	-14	392 161
Other comprehensive income									
Revaluation of Plant and equipment	20	--	--	--	4 025	--	4 025	--	4 025
Foreign currency translation differences		--	1 692	--	--	--	1 692	--	1 692
Comprehensive income for the period		**0**	**1 692**	**0**	**4 025**	**392 175**	**397 892**	**-14**	**397 878**
Other movements									
Repayment of share premium	23	--	--	-138 921	--	--	-138 921	--	-138 921
Contribution to share premium	23	--	--	828 682	--	--	828 682	--	828 682
Common control transactions	3c	--	--	--	--	-5 502	-5 502	--	-5 502
Total other movements		**0**	**0**	**689 761**	**0**	**-5 502**	**684 259**	**0**	**684 259**
Balance at 31 December 2019		**0**	**5 985**	**828 682**	**19 009**	**1 188 547**	**2 042 223**	**625**	**2 042 848**

1.1.2020 - 31.12.2020	*Note*	Issued capital	Translation reserve	Share premium	Revaluation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2020		**0**	**5,985**	**828,682**	**19,009**	**1,188,547**	**2,042,223**	**625**	**2,042,848**
Comprehensive income for the period									
Profit for period		--	--	--	--	252 118	252 118	406	252,524
Other comprehensive income									
Revaluation of Plant and equipment	20	--	--	--	-7 347	--	-7 347	--	-7,347
Foreign currency translation differences		--	8 473	--	--	--	8 473	--	8,473
Comprehensive income for the period		**0**	**8 473**	**0**	**-7 347**	**252 118**	**253 244**	**406**	**253,650**
Other movements									
Distribution of share premium	23	--	--	-31 917	--	--	-31 917	--	-31,917
Share issuance and formation of CTP B.V.	3c	53 760	--	1 061 695	--	-1 115 803	-348	--	-348
Total other movements		**53 760**	**0**	**1 029 778**	**--**	**-1 115 803**	**-32 265**	**--**	**-32,265**
Balance at 31 December 2020		**53 760**	**14 458**	**1 858 460**	**11 662**	**324 862**	**2 263 202**	**1 031**	**2 264 233**

1.1.2019 - 31.12.2020	*Note*	Issued capital	Translation reserve	Share premium	Revaluation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2019		**0**	**4 293**	**138 921**	**14 984**	**801 874**	**960 072**	**639**	**960 711**
Comprehensive income for the period									
Profit for period		--	--	--	--	644 293	644 293	392	644 685
Other comprehensive income									
Revaluation of Plant and equipment	20	--	--	--	-3 322	--	-3 322	--	-3 322
Foreign currency translation differences		--	10 165	--	--	--	10 165	--	10 165
Comprehensive income for the period		**0**	**10 165**	**0**	**-3 322**	**644 293**	**651 136**	**392**	**651 528**
Other movements									
Contribution to share premium	23	--	--	828 682	--	--	828 682	--	828 682
Distribution of share premium	23	--	--	-170 838	--	--	-170 838	--	-170 838
Share issuance and formation of CTP B.V.	3c	53 760	--	1 061 695	--	-1 121 305	-5 850	--	-5 850
Total other movements		**53 760**	**0**	**1 719 539**	**0**	**-1 121 305**	**651 994**	**0**	**651 994**
Balance at 31 December 2020		**53 760**	**14 458**	**1 858 460**	**11 662**	**324 862**	**2 263 202**	**1 031**	**2 264 233**

** The consolidated statements of changes in equity over the period 1.1.2019-31.12.2020 and 1.1.2018-31.12.2018 represent the statutory reporting period of CTP B.V. The consolidated statements of changes in equity over the calendar years 2019 and 2020 are added for information purposes, refer to the basis of preparation in note 1.*

The notes on pages 14 to 90 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

Over the period

In EUR thousand	Note	1.1.2019 - 31.12.2020 *	1.1.2020-31.12.2020 *	1.1.2019-31.12.2019 *	1.1.2018-31.12.2018 *
Operating activities					
Net result for the year		644.293	252.118	392.175	364.900
Adjustments for:					
Net valuation result on investment property	19	-558.937	-152.162	-406.775	-239.380
Amortisation and depreciation	20	20.215	10.462	9.753	5.838
Net interest expense	13	121.412	67.581	53.831	42.293
Change in fair value of derivatives and associated closeout costs	15	72.621	40.272	32.349	10.469
Other changes		-18.709	-14.680	-4.029	5.204
Change in foreign currency rates		5.816	-3.775	9.591	-3.988
Income from non-controlling interest		392	406	-14	-3.392
Gain from sale of Investment property and subsidiaries	6	--	--	--	-34.977
Income tax expense	16	146.449	37.901	108.548	60.670
		433.552	**238.123**	**195.429**	**207.637**
Decrease/(increase) in trade and other receivables		-22.535	31.332	-53.867	1.944
Increase/(decrease) in trade and other payables	28	35.035	-13.439	48.474	32.860
		12.500	**17.893**	**-5.393**	**34.804**
Interest paid	26	-116.855	-62.272	-54.583	-54.714
Interest received		953	371	582	1.953
Income taxes paid		-20.762	-8.685	-12.077	-36.766
Cash flows from operating activities		**309.388**	**185.430**	**123.958**	**152.914**
Investment activities					
Acquisition of investment property	17	-112.804	-64.105	-48.699	-46.603
Acquisition of property, plant and equipment	20	-5.460	-2.232	-3.228	-21.393
Proceeds from disposal of investment property and PPE		21.060	8.950	12.110	37.090
Acquisition of subsidiaries, net of cash acquired	6	-47.494	-27.116	-20.378	-39.689
Loans and borrowings provided to related parties		-27.080	-27.080	--	--
Proceeds from loans and borrowings provided to related parties		629	629	--	11.518
Proceeds from disposal of subsidiaries, net of cash disposed	6	1.060	1.060	--	398.159
Development of investment property	17	-681.282	-359.227	-322.055	-346.840
Cash flows used in investing activities		**-851.371**	**-469.121**	**-382.250**	**-7.758**
Financing activities					
Bonds issued	26	1.041.395	1.041.395	--	--
Repayment of interest-bearing loans and borrowings	26	-2.597.614	-1.088.814	-1.508.800	-273.782
Proceeds from interest-bearing loans and borrowings	26	2.785.739	743.657	2.042.082	357.466
Repayment of loans/liabilities to related companies	26	-245.625	-20.625	-225.000	-13.407
Transaction costs related to loans and borrowings/bonds	26	-53.354	-21.649	-31.705	-2.385
Proceeds from the issue of share capital	26	200	200	--	--
Repayment of share premium	26	-12.500	-12.500	--	--
Paid dividends	26	--	--	--	-195.606
Payment of lease liabilities	26	-1.041	-541	-500	-590
Cash flows from/used in financing activities		**917.200**	**641.123**	**276.077**	**-128.304**
Cash and cash equivalents at 1 January		46.284	63.821	46.284	25.485
Net increase in cash and cash equivalents		375.217	357.432	17.785	16.852
Cash and cash equivalents reclassified to asset held for sale		--	--	--	4.541
Change in foreign currency rates		*-2.360*	*-2.112*	*-248*	*-594*
Cash and cash equivalents at 31 December	22	**419.141**	**419.141**	**63.821**	**46.284**

** The consolidated statement of cash flows over the period 1.1.2019-31.12.2020 and 1.1.2018-31.12.2018 represent the statutory reporting period of CTP B.V. The consolidated statement of cash flows over the calendar years 2019 and 2020 are added for information purposes, refer to the basis of preparation in note 1.*

The notes on pages 14 to 90 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. General information

Company:

CTP B.V. (the "Company") is a Dutch based real estate developer developing and leasing a portfolio of properties in Central and Eastern Europe (CEE).

Reporting entity:

These consolidated financial statements comprise the Company and its subsidiaries (collectively referred to as the "Group" or "CTP Group" or "CTP" and individually "Group companies").

Refer to Note 32 of these consolidated financial statements for a list of significant Group entities and changes to the Group in 2020, 2019 and 2018.

These financial statements cover the period 1 January 2019 up to and including 31 December 2020. For information purposes a breakdown of the extended financial year into the calendar years 2019 and 2020 and the balance sheet as per 31 December 2019 is added. For further explanation refer to Note 3b.

Principal activities:

CTP is a full-service commercial real estate developer managing and delivering custom-built, high-tech business parks throughout Central and Eastern Europe.

Registered office:

The operating headquarter of CTP B.V., is located at Van Deventerlaan 31, 3528 AG Utrecht, The Netherlands.

RSIN number: 860528091
Registration number: 76518233

CTP B.V. was incorporated on 21 October 2019, for an unlimited period of time.

Owner of the Company as at 31 December 2020:

Shareholder	Share in registered capital	Share in voting rights
CTP Holding B.V.	100,0%	100,0%
	100.0%	100.0%

Ultimate parent of the Group is the company Multivest B.V. (the Netherlands).

Management as at 31 December 2020:

Directors: Remon L. Vos
Richard J. Wilkinson

2. Going concern

CTP's properties are let to a wide range of tenants and there is no significant focus on any one particular group or company. CTP closely monitors the financial stability of its tenants and believes that its rental projections for the coming 12 months are realistic in the light of the current economic climate.

CTP expects to settle its current liabilities as at 31 December 2020 during the year 2021 as follows:

In EUR thousand	**2020**
Current liabilities as at 31 December 2020	358 254
Current assets excluding cash and cash equivalents as at 31 December 2020	83 556
Funds required in 2020 to cover the short-term liquidity need	**274 698**
Available cash as at 31 December 2020	419 141
Expected net rental income available for repayment current Interest-bearing loans and borrowings to be received in 2021	332 572
Interest-bearing loans and borrowings from financial institutions to be renegotiated to a long-term basis	60 301
Short-term payables to be renegotiated to a long-term basis	2 627
Expected drawdowns of loans and borrowings from financial institutions under existing loan facilities	375 227
Revolving facility *)	--
Expected funds to be received in 2021 to cover the short-term liquidity need	**1 189 868**

**) In December 2020 the Company concluded a EUR 100 million revolving credit facility for a three-year period. The Company does not expect a drawdown either partial or for the full amount under this facility in 2021.*

Based on the cash-flow projections prepared for the year 2021, other actual development up to the date of approval of these consolidated financial statements and results of management assessment as described above, the directors and management of the Group believe that it is appropriate to prepare the consolidated financial statements on a going concern basis as at 31 December 2020 and no material uncertainty exists with respect to going concern of the Group as at 31 December 2020.

3. Basis of preparation of consolidated financial statements

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) and with Section 2:362(9) of the Dutch Civil Code.

The consolidated financial statements were authorised for issue by the Board of Directors on 15 March 2021.

As this is the first set of financial statements of CTP B.V. IFRS 1 applies.

b) Financial reporting and comparative period

CTP B.V. is founded on 21 October 2019 and has, according to the articles of association an extended financial year which ended at the balance sheet date of 31 December 2020.

As CTP B.V. acquired CTP Property B.V. and CTP Invest, spol. s.r.o. under common control the Company decided to represent its comparatives and adjust its current reporting period before the date of the transaction as if the combination had occurred before the start of the earliest period presented.

Therefore the first financial year of CTP B.V. covers the period 1 January 2019 up to and included 31 December 2020 and comparative figures are included over the period 1 January 2018 up to and including 31 December 2018.

As the comparative figures over 2018 cover 12 months, these are not comparable with the extended financial year 2019/2020 which cover 24 months. For information purposes a breakdown of the extended financial year into the calendar years 2019 and 2020 and the balance sheet as per 31 December 2019 is added.

c) Common control transactions

CTP B.V. entered into several transactions under common control, which is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.
The assets and liabilities acquired under common control are recognized at the carrying amounts recognized previously in the financial statements of the entities acquired. Any difference between consideration paid and the net book value of assets and liabilities acquired is recognized directly in the equity.
CTP started 2020 by completing its consolidation plan to include all activities undertaken by CTP Invest spol s.r.o. and CTP Property B.V., which process had commenced in 2019. The plan was needed to streamline the organizational structure (following the ownership consolidation per June 2019) enabling CTP to present itself to the international capital markets as one consolidated Group with both the real estate investment and real estate development activities.
To enable this the following significant transactions took place:

- Acquisition of CTP Property B.V. and its subsidiaries on 31 October 2019, for EUR 951,803 thousand. Acquisition price was settled by equity via share premium.

- Acquisition of CTP Invest, spol. s r.o. and its subsidiaries on 27 January 2020, for EUR 920,485 thousand. Acquisition price was settled by equity via share premium.

Both entities represent a legal Group, had already financial statements on the basis of EU-IFRS and are aligned with the accounting policies of CTP B.V. and were under the common control of their ultimate shareholder Multivest B.V. which is also the ultimate shareholder of CTP B.V. for all period presented. As mentioned in the previous paragraph CTP B.V. decided to represent its comparatives as if the transaction had occurred before the start of the earliest period presented. The impact on equity as per 1 January 2018 is that all reserves such as the translation reserve, revaluation reserve and retained earnings (including existing share capital and share premium) have been included from both entities at that moment. Intercompany transactions between both entities have been eliminated. In the movement schedule of equity the line “share issuance and formation of CTP B.V.” reflects the movements to arrive at the share capital and share premium of CTP B.V.

In the movement schedule of equity the line "share issuance and formation of CTP B.V." reflects the issuance of the new shares of CTP B.V. and movement between retained earnings and share premium to reflect the acquisition of CTP Property and CTP Invest through share premium as indicated above.

Further CTP B.V. acquired Multifin B.V. on 17 December 2019 (impact on equity of EUR 2,963 thousand) and NCI shares under common control on 31 December 2019 (impact on equity EUR 3,087 thousand).

All transactions have been settled through equity, no cash has been paid.

d) CTP has considered the following new and amended standards in 2020

For the preparation of the consolidated financial statements of the Group, the following new or amended standards and interpretations were considered for the first time for the financial year beginning 1 January 2020. The nature and the effect of these changes are disclosed below.

The following amended standards and interpretations are not expected to have significant impact on the Group’s consolidated financial statements:

- *Amendments to References to Conceptual Framework in IFRS Standards* - the amendment reflect the changes in Framework’s principles, which have implications for how and when assets and liabilities are recognised and derecognised in the Group’s consolidated financial statements.
- *Definition of a Business (*Amendment *to IFRS 3)* - the amendments narrowed and clarified the definition of a business. They also permit a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business
- *Definition of Material (Amendments to IAS 1 and IAS 8)* - the amendments clarify and align the definition of ‘material’ and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.

e) Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing the consolidated financial statements of the Group.

The following amended standards and interpretations are not expected to have significant impact on the Group's consolidated financial statements:

- *Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)* - the amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. The amendments apply for annual reporting periods beginning on or after 1 January 2022 to contracts existing at the date when the amendments are first applied.
- *Interest rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)*- the amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.
- *COVID-19- Related rent concessions (Amendment to IFRS 16)* – the amendment to IFRS 16 Leases was issued to allow lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions.
- *Property, Plant and Equipment: Proceeds before Intended use (Amendment to IAS 16)* – under the amendments, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.
- *Classification of Liabilities as Current and Non-current (Amendment ot IAS 1)* – to clarify the requirements on determining if a liability is current or non-current, the International Accounting Standards Board (the Board) has amended IAS 1.

f) Functional and presentation currency

The presentation currency of the Group is Euro ("EUR"), because the owners base their economic decisions on information expressed in this currency. All financial information presented in EUR has been rounded to the nearest thousand.
The Group performed analysis on entity level based on primary, secondary and other indicators and concluded on following:

- Group's entities with primary objective to ensure investing and development activities in specific countries, so called development companies, have the functional currency its local currencies as it is local currency:
    - whose competitive forces and regulations mainly determine the sales prices of its goods and services rendered to other companies operated in the same country,
    - that primarily influences labour, material and other costs of providing goods and services,
    - in which receipts from operating activities are usually retained.
- other Group's entities with objective of stable and sustainable operation of industrial parks or dormant entities with potential of future development of industrial parks have the functional currency EUR as
    - sales prices of services rendered to the tenants are in EUR,
    - funds from financing activities are generated in EUR and
    - activities of these companies are conducted as an extension of the reporting entity rather than with a significant degree of autonomy.

In the CTP Group there are the following development companies:

- CTP Invest, spol. s r.o. with functional currency Czech koruna (CZK),
- CTP Invest Poland Sp. z o.o. with functional currency Polish zloty (PLN),
- CTP Invest d.o.o. Beograd-Novi Beograd with functional currency Serbian dinar (RSD),
- CTP Management Hungary Kft. with functional currency Hungarian forint (HUF),
- CTP Invest Bucharest SRL with functional currency Romanian leu (RON),
- CTP Invest SK, spol. s r.o. with functional currency EURO (EUR).

All other companies in the Group have EUR as functional currency.

g) Basis of measurement

The consolidated financial statements of the Group are prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date:

— derivative financial instruments are measured at fair value;
— investment property is measured at fair value;
— solar plants within property, plant and equipment are measured at fair value; and
— hotels within property, plant and equipment are measured at fair value.

h) Use of estimates and judgments

The preparation of the consolidated financial statements requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that the management believes to be reasonable under the circumstances, the results of which form the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

In particular, information about significant areas of estimates uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in Note:

- 4b) Investment property
- 4c) Investment property under development
- 4d) Property, plant and equipment
- 4i) Impairment

i) Measurement of fair values

A number of the Groups' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

a) Basis of consolidation

a) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the potential voting rights that are exercisable or convertible, are taken into account. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination under IFRS 3, when an integrated set of activities is acquired in addition to the property. More specifically, consideration is made to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary.

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill and deferred tax is recognised.

b) Acquisition of business from companies under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

The assets and liabilities acquired under common control are recognized at the carrying amounts recognized previously in the financial statements of the entities acquired. Any difference between consideration paid and the net book value of assets and liabilities acquired is recognized directly in the equity. In the absence of more specific guidance, the Group consistently applied the book value method to account for all common control transactions.

In this respect, the assets and liabilities of the entities, as well as their income and expenses, for the period in which the common control transaction has occurred and for the comparative period disclosed are included in the financial statements of the Group as if the common control transaction took place at the beginning of the comparative period.

c) Business combinations

Business combinations, excluding those commenced between parties under common control, are accounted for by applying the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.
The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net amount of the identifiable assets acquired and liabilities stated at fair value.

Goodwill is tested for impairment if events or changes in circumstances indicate that it might be impaired, but at least annually, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

When the excess is negative (bargain purchase), it is recognized immediately in the consolidated statement of comprehensive income.

d) Non-controlling interest

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

e) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any resulting gain or loss is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

f) Changes in the ownership interests in existing subsidiaries

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries

g) Asset acquisition

Asset acquisitions is an acquisition of an asset or a group of assets (and liabilities) that does not constitute a business. The Group identify and recognise the individual identifiable assets acquired and liabilities assumed and allocate the cost of the group to the individual identifiable assets and liabilities based on their relative fair values at the date of the acquisition.

h) Transactions eliminated on combination

Intra-group balances and any gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements of the Group.

b) Investment property

Investment properties are those which are held to earn rental income, for capital appreciation, or for both. Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. An external, independent valuator having appropriately recognized professional qualifications and recent experience in the location and category of property being valued, values the portfolio of investment property at least annually.

The independent valuation report was obtained as at 31 December 2020 and was incorporated into the IFRS consolidated financial statements of the Group. The fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The fair value measurement for all of the investment properties has been categorized as a Level 3 fair value.

c) Investment property under development

Property that is being constructed or developed for future use as investment property, is classified as investment property under development. Investment property under development is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. When construction or development is completed, property is reclassified and subsequently accounted for as investment property.

The independent valuation report was obtained as at 31 December 2020. Value of investment property under development was determined by external, independent property valuators, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued. The fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Borrowing cost are not capitalized to the value of Investment property under development, as almost all development projects are finished within 12 months.

The fair value measurement for all of the investment properties under development has been categorized as a Level 3 fair value.

d) Property, plant and equipment

(i) Revaluation model

Solar plants which are completed and generating income and hotels which represents minor part of property portfolio of the Group, are classified under Property, plant and equipment at revaluated amounts, being the fair value at the reporting date. Any gain or loss arising on re-measurement of the solar plants and hotels is treated as a revaluation with any gain recorded as part of other comprehensive income, except to the extent that it reverses a previous impairment on the same property, in which case it is recorded in profit or loss. A loss is an expense in profit or loss to the extent at which it is higher than previously recognized revaluation surplus.

An external, independent valuator having appropriately recognized professional qualifications and recent experience in the location and category of the solar plant and hotel being valued, values the portfolio of solar plants and hotels at least annually.

In view of the nature of the solar plants and the bases of valuation, the valuator adopted the Income Approach based on the discounted cash flow technique for a 20-year period. The cash flow is based on the income receivable under the license provided by the government.

Depreciation of the solar plants is recognized into profit or loss on a straight-line basis over the estimated useful life of 20 years.

For the calculation of the market value of solar energy power panels the discount rate of 9% was used.

In view of the nature of the hotels and the bases of valuation, the valuator adopted the discounted cash flow method. Under this method the projected adjusted net operating income for the hotel over 10 years are discounted back to present day using an appropriate discount rate. The value of the hotel derived from the capitalized earnings in the 10th year is also brought back to present values. Capital expenditure is built into the cash flow if appropriate. Capitalisation rates used in hotel valuation is in range from 6,75% to 7,25%.

Depreciation of the hotels is recognized into profit or loss on a straight-line basis over the estimated useful life of 40 years.

(ii) Cost model

All other buildings, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (Note 4i). Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the initial estimate, where relevant, of the costs of dismantling and removing building items and restoring the building site at which they are located and an appropriate proportion of production overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income statement during the financial period in which they are incurred.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.
The Group recognize in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred and it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replace item is derecognised. All other costs are recognized in the statement of comprehensive income as incurred.

Depreciation is recognized into profit or loss on a straight-line basis over the estimated useful life of the equipment. The estimated useful life for equipment varies between 3-8 years and for property and plant between 10-20 years.

(iii) Reclassification to Investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognized in OCI and presented in the revaluation reserve. A loss is an expense in profit or loss to the extend at which it is higher than previously recognized revaluation surplus.

e) Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

f) Leases

At inception of a contract, the Group assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

- ***As a lessee***

At commencement or on modification of a contract that contains a lease component, the Group allocate the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of an asset leased.

Lease payments included in the measurement of the lease liability comprise of following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- the exercise price under a purchase option that the Group is reasonably certain to exercise;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Subsequently, the lease liability is measured at amortized cost using effective interest method. It is remeasured when there is change in any of above-mentioned lease liability components. In such case the corresponding adjustment is made to the carrying amount of the right-of-use asset or is posted in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in the property, plant and equipment and lease liabilities in trade and other payables in the statement of financial position.

The Groups has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

- ***As a lessor***

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, they determine at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of *rental income*.

Property held under finance leases and leased out under operating leases was classified as investment property and stated at fair value as described in Note 4b).

g) Financial instruments

(i) Financial assets

Initial recognition and measurement
The financial assets are classified at initial recognition at amortized cost, fair value through other comprehensive income or fair value through profit or loss.

The Group measures financial assets at amortised cost if both of the conditions are met and the financial asset is not designated at fair value through profit and loss:

- the financial asset is held within a business model with the objective to hold it in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset, that otherwise meets the requirements to be classified and measured at amortised cost or at fair value through other comprehensive income, to be classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement
For purpose of subsequent measurement, the Group's financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)

This category is most relevant to the Group and it includes trade receivables and loans provided that are subsequently measured at amortised cost using the effective interest method, less any credit losses.

- Financial assets at fair value through profit and loss

This category includes derivatives. Financial assets are classified as held for trading if they are acquired for the purposes of selling or repurchasing in the near future.
Financial assets at fair value through profit or loss are carried out in the statement of financial position at fair value with net changes in fair value being recognised in the statement of profit or loss.

(ii) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group have a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans provided
Loans are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Loans provided are subsequently measured at amortised cost using the effective interest method, less any impairment losses.
The Group classify as a current portion any part of long-term loans that is due within one year from the reporting date.

Trade and other receivables
Trade and other receivables and Receivables due from related parties are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank accounts and call deposits that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash-flow statement.

The Group treats cash deposited as a security in accordance with the bank loan covenants as cash and cash equivalents for cash flow purposes.

The cash flow statement of the Group is prepared based on indirect method from the statement of financial position and statement of comprehensive income.

(iii) Financial liabilities

Financial liabilities are classified as measured at amortised cost or fair value through profit and loss. A financial liability is classified as at fair value through profit and loss if it is classified as held-for trading, it is a derivative or it is designed as such on initial recognition. Financial liabilities at fair value through profit and loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iv) Non-derivative financial liabilities

The Group initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Non-derivative financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Group classify as a current portion any part of long-term loans that is due within one year from the reporting date.

(v) Derivative financial instruments

A derivative is a financial instrument or other contract which fulfils the following conditions:

a) its value changes in response to change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract;
b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
c) it is settled at a future date.

Derivative financial instruments are initially recognized at fair value; attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss.

Fair values are obtained from quoted market prices or discounted cash flow models, as appropriate. The derivatives are carried as current (those that are expected to be settled in less than 12 months) or non-current assets when their fair value is positive, and as current (those that are expected to be settled in less than 12 months) or non-current liabilities when their fair value is negative.

The principal types of derivative instruments used by the Group are interest rate swaps.
Swaps are agreements between the Group and other parties to exchange future cashflows based upon agreed notional amounts.

Under interest rate swaps, the Group agrees with other parties to exchange, at specific interval, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional amount.

h) Contract assets

Contract assets represents work in progress, which relates to the cost of development extras and specific fit outs for the tenants.

Contract assets are stated at the lower of cost and net realisable value (being the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale). Where the net realisable value is below cost, contract assets are written down to the lower value, and the impairment loss is recorded in the income statement. Costs of contract assets include the purchase price and related costs of acquisition (transport, customs duties and insurance).

i) Impairment

(i) Non-financial assets

The carrying amounts of the Group's assets, other than investment property, investment property under development and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. In respect of goodwill, the recoverable amount is estimated at each reporting date.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. Impairment losses are recognized in profit or loss. An impairment loss in respect of a Property, plant and equipment measured at fair value is reversed through profit and loss to the extent that it reverses an impairment loss on the same asset that was previously recognized in profit and loss.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (groups of units) and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

(ii) Financial assets

A financial asset not carried at fair value through profit or loss, including an interest in an equity-accounted investee, is assessed at each reporting date to determine whether there is objective evidence that it is credit-impaired.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor will enter bankruptcy, the disappearance of an active market for a security and observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

The Group considers evidence of impairment for financial assets at both specific asset and collective level. All individually significant financial assets are assessed for specific impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

The Group uses for the recognition and measurement of impairment losses the "expected credit loss" model (ECLs). The Group measures loss allowance at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- provided loans and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition;
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to the lifetime ECLs.

At each reporting date, the Group assess whether financial assets carried at amortised cost are credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group first assess whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of credit impairment exists for an individually assessed financial assets, whether significant or not, it includes the assets in a group of financial assets with similar risk characteristics and collectively assesses them for credit impairment. Financial assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

A significant increase in credit risk (SICR) represents a significant increase in the risk of default in respect of a financial assets as at the reporting date compared with the risk as at the date of initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the trade or other receivable is more than 365 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.
In some cases the observable data required to estimate the amount of an impairment loss on a financial asset may be limited or no longer fully relevant to current circumstances. This may be the case when a borrower is in financial difficulties and there is little available historical data relating to similar borrowers. In such cases, the Group uses their experience and judgement to estimate the amount of any credit impairment loss.

All impairment losses in respect of financial assets are recognised in profit or loss and are only reversed if a subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount of the asset that would have been determined, net of amortisation, if no impairment loss had been recognised. The write-off policy of the Group requires that the outstanding amount of a loan shall be written off if there is any instalment overdue for 730 or more days. However, the loan shall remain in the Company's statement of financial position even after 730 days of non-payment if it is probable that the loan will be sold in a near future, or significant recoveries are expected. In such case, the loan outstanding amount shall be derecognised at the moment of the sale or later as soon as no significant recoveries are expected.

The Group allocates to each financial assets exposure to a credit risk stage based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

j) Reversals of impairment

An impairment loss of non-financial assets is reversed if there has been an indication that the loss has decreased or no longer exists and a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment losses been recognized.
Reversal of an impairment loss for goodwill is prohibited.

k) Equity

Issued capital
Issued capital represents the amount of capital registered in the Shareholders Register and is classified as equity. External costs directly attributable to the issuance of share capital, other than upon a business combination, are shown as a deduction from the proceeds, net of tax, in equity.

Translation reserve
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements from the functional to the presentation currency (refer to Note 3d).

Reserves
Consolidated reserves include Other capital funds, which represent contribution outside the registered capital and are created based on decision of Board of directors of the consolidated activities.

Revaluation reserve
Revaluation reserve comprise revaluation of solar plants and hotels, which are classified under property, plant and equipment at revaluated amounts, being the fair value at the reporting date (refer to Note 4d).

Retained earnings
Consolidated retained earnings arises from accumulation of profits and losses of the consolidated activities and are subject of dividend distribution after approval of the Board of directors.

l) Earnings per share

Earnings per share is an important financial indicator, which measures the profitability of the Group.

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Group by the weighted average number of shares of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of shares that would be issued if all dilutive potential ordinary shares were converted into ordinary shares.

The denominator in the calculation of basic EPS for each period presented is the number of shares as at 31 December 2020. The resulting EPS data is pro forma rather than historical but is comparable over the years/period presented.

m) Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

n) Rental income and service charge income

Rental income from leases is recognized as income in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income.

Park management income (service charge) is integral, but separately identifiable, part of rental contracts. The Group has identified that the park management services is distinct from rentals and are therefore accounted separately. The service charge is priced and contracted based on market prices relevant for the region of operation. The service charge income is recognized evenly over time of the service rendered as the customer simultaneously receives and consumes the benefits from the provided service.

Service and management charges are included in net rental income gross of the related costs. The Group determined that it does control the services before they are transferred to tenants and therefore that the Group acts rather as a principal in these arrangements.

o) Income from development activities

Revenues from customer specific fit-outs of rented facilities (development extras) are presented separately in statement of comprehensive income. Income from development activities includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. Income from development activities are recognised at point in time.

p) Revenues from sale of properties

Revenue from sale of properties is recognised when the control has passed to the buyer at the amount to which the Group expects to be entitled, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably, i.e. on the date on which the application is submitted to the Land Registry for transfer of legal ownership title. Revenue is measured net of returns, trade discounts and volume rebates. When appropriate, revenue from such sales are deferred until the property is completed and the properties are ready for sale, including the necessary regulatory permissions.

q) Hotel revenues

Revenues from hotel operations represents room rental and sale of food and beverages. Hotel revenues are recognised in profit and loss at the moment, when customer obtains control over the services provided.

r) Expenses

(i) Attributable external expenses

Attributable external expenses consists of property operating expenses (including service expenses), hotel operating expenses and expenses from development activities.

(ii) Property operating expenses

Property operating expenses (including service expenses) are expensed as incurred.

(iii) Finance income / finance expenses

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- the net gain or loss on financial assets at fair value through profit or loss (other than investment property and investment property under development);
- the foreign currency gain or loss on financial assets and financial liabilities;
- the fair value loss on contingent consideration classified as financial liability;
- impairment losses recognised on financial assets (other than trade receivables);
- the net gain or loss on hedging instruments that are recognised in profit or loss; and
- the reclassification of net gains previously recognised in Other Comprehensive Income.

Interest income or expense is recognised using the effective interest method.

s) Income tax

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income.

Current tax
Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax
Deferred tax is provided using the liability method, on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax was calculated using the tax rates valid for the periods in which the tax asset or liability is expected to be utilized.

The corporate income tax rates for 2020, 2019 and 2018 were as follows:

Country	2020	2019	2018
Austria	25.00%	25.00%	25.00%
Czech Republic	19.00%	19.00%	19.00%
Germany	29.48%	29.48%	29.48%
Hungary	9.00%	9.00%	9.00%
Luxembourg	26.00%	26.00%	26.00%
Netherlands	25.00%	25.00%	25.00%
Poland	19.00%	19.00%	19.00%
Romania	16.00%	16.00%	16.00%
Serbia	15.00%	15.00%	15.00%
Slovakia	21.00%	21.00%	21.00%
Ukraine	18.00%	18.00%	18.00%
Bulgaria	10.00%	10.00%	10.00%
Slovenia	19.00%	19.00%	19.00%

Deferred tax is not recognised from temporary differences on the initial recognition of assets and/or liabilities in transaction which is not a business combination under IFRS 3 (asset deal).

Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes of one entity relate to the same fiscal authority

t) Foreign currency transaction

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate of local national banks at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated into euros at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in Other Comprehensive Income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to Non-controlling interest (NCI).

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

u) Segment reporting

The Group has applied the criteria of IFRS 8, 'Operating Segments' to determine the number and type of operating segments. According to this standard an operating segment is component carrying out business operations whose operating income is evaluated regularly by the Group's highest executive decision maker and about which separate financial information is available. The results of the Group are reviewed by CEO regularly on weekly basis by analysis of KPI on geographical segments, where the Group operates.

The Group's Operating segments were determined in connection with the nature of the business and how the operations are managed by the Group's operating decisionmaker. The Group reports operating segments based on geographical segmentation: Czech Republic, Romania, Hungary, Slovakia and Other. Hotel segment operated in the Czech Republic is presented separately. Segment results that are reported to the Board of Directors include items directly attributable to a segment.

The operating segments are determined based on the Group's management and internal reporting structure. As required by IFRS 8, the Group provides information on the business activities in which, the Group engages including split of revenue and investment property.

5. Segment reporting

The principal operation of the Group is the lease of investment property in Central and Eastern Europe (CEE) and development in these countries. The Group manages its activities based on geographical segmentation as the substance of the business activities is the same in all regions, where the Group operates.

The Group's principal activities are performed in the following main operating segments: Czech Republic, Romania, Hungary, Slovakia, Other geographical segments and Hotel Segment.

The Group operates 3 hotels under the Courtyard by Marriott brand in the Czech Republic (Prague Airport, Pilsen and Brno) under management agreements with third party, which are presented under separate Hotel Segment.

Reportable segment	**Operations**
Czech Republic	Industrial property, offices, retail , other
Romania	Industrial property
Hungary	Industrial property
Slovakia	Industrial property
Other segments	Other segments which do not meet criteria for segment reporting recognition
Hotel segment	Operation of 3 hotels in the Czech Republic

Results of the segments for 24-month period ended 31 December 2020 is as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel segment	Total Segments	Intersegent eliminations	Total
Rental income	359,868	47,107	90,624	41,283	11,039	--	549,921	--	549,921
Service charge income	27,255	6,049	10,329	4,314	314	--	48,261	--	48,261
Property operating expenses	-38,475	-12,933	-17,415	-7,185	-926	-789	-77,723	--	-77,723
Net rental income	**348,648**	**40,223**	**83,538**	**38,412**	**10,427**	**-789**	**520,459**	**0**	**520,459**
Hotel operating revenue	--	--	--	--	--	23,064	23,064	--	23,064
Hotel operating expenses	--	--	--	--	--	-17,442	-17,442	--	-17,442
Net operating income from hotel operations	**0**	**0**	**0**	**0**	**0**	**5,622**	**5,622**	**0**	**5,622**
Income from development activities	51,356	--	--	226	2,312	--	53,894	--	53,894
Expenses from development activities	-28,512	--	--	--	-2 399	--	-30,911	--	-30,911
Net income from development activities	**22,844**	**0**	**0**	**226**	**-87**	**0**	**22,983**	**0**	**22,983**
Total revenues	**438,479**	**53,156**	**100,953**	**45,823**	**13,665**	**23,064**	**675,140**	**0**	**675,140**
Total attributable external expenses	**-66,987**	**-12,933**	**-17,415**	**-7,185**	**-3,325**	**-18,231**	**-126,076**	**0**	**-126,076**
Net valuation result on investment property	**320,560**	**101,617**	**89,745**	**32,143**	**14,872**	**0**	**558,937**	**0**	**558,937**
Other income	19,558	426	514	-396	135	12	20,249	-7,145	13,104
Amortization and depreciation	-15,074	-376	-586	-118	-258	-3,803	-20,215	--	-20,215
Employee benefits	-26,720	-3,831	-6,194	-1,791	-1,605	--	-40,141	--	-40,141
Impairment of financial assets	-662	65	81	-73	-100	-5	-694	--	-694
Other expenses	-20,778	-8,096	-7,161	-2,121	-14,239	-5,020	-57,415	7,145	-50,270
Net other income/expenses	**-43,676**	**-11,812**	**-13,346**	**-4,499**	**-16,067**	**-8,816**	**-98,216**	**0**	**-98,216**
Net profit/loss before finance costs	**648,376**	**130,028**	**159,937**	**66,282**	**9,145**	**-3,983**	**1,009,785**	**0**	**1,009,785**
Interest income	5,111	20	1	--	16,162	518	21,812	-20,277	1,535
Interest expense	-81,435	-11,392	-34,237	-9,804	-7,225	-1,737	-145,830	20,277	-125,553
Other financial expenses	-17,222	-1,366	-4,552	-1,626	-2,272	-407	-27,445	--	-27,445
Other financial gains/losses	-64,970	-4,262	1,910	954	-584	-236	-67,188	--	-67,188
Net finance costs	**-158,516**	**-17,000**	**-36,878**	**-10,476**	**6,081**	**-1,862**	**-218,651**	**0**	**-218,651**
Profit/loss before income tax	**489,860**	**113,028**	**123,059**	**55,806**	**15,226**	**-5,845**	**791,134**	**0**	**791,134**
Income tax expense	-102,975	-10,978	-14,438	-14,177	-4,760	879	-146,449	--	-146,449
Profit for the period	**386,885**	**102,050**	**108,621**	**41,629**	**10,466**	**-4,966**	**644,685**	**0**	**644,685**
Profit attributable to:									
Non-controlling interests	-1,720	--	--	--	1,328	--	-392	--	-392
Equity holders of the Company	**385,165**	**102,050**	**108,621**	**41,629**	**11,794**	**-4,966**	**644,293**	**0**	**644,293**

Results of the segments for 12-month period ended 31 December 2020 is as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel segment	Total Segments	Intersegent eliminations	Total
Rental income	186,808	25,785	49,540	22,862	6,940	--	291,935	--	291,935
Service charge income	14,393	3,063	5,741	2,499	186	--	25,882	--	25,882
Property operating expenses	-17,845	-6,556	-7,943	-3,985	-482	-337	-37,148	--	-37,148
Net rental income	**183,356**	**22,292**	**47,338**	**21,376**	**6,644**	**-337**	**280,669**	**0**	**280,669**
Hotel operating revenue	--	--	--	--	--	5,752	5,752	--	5,752
Hotel operating expenses	--	--	--	--	--	-5,897	-5,897	--	-5,897
Net operating income from hotel operations	**0**	**0**	**0**	**0**	**0**	**-145**	**-145**	**0**	**-145**
Income from development activities	46,873	--	--	226	2,312	--	49,411	--	49,411
Expenses from development activities	-24,585	--	--	--	-2,399	--	-26,984	--	-26,984
Net income from development activities	**22,288**	**0**	**0**	**226**	**-87**	**0**	**22,427**	**0**	**22,427**
Total revenues	**248,074**	**28,848**	**55,281**	**25,587**	**9,438**	**5,752**	**372,980**	**0**	**372,980**
Total attributable external expenses	**-42,430**	**-6,556**	**-7,943**	**-3,985**	**-2,881**	**-6,234**	**-70,029**	**0**	**-70,029**
Net valuation result on investment property	**62,577**	**53,092**	**22,681**	**5,037**	**8,775**	**0**	**152,162**	**0**	**152,162**
Other income	7,352	446	467	263	1,369	4	9,901	-5,891	4,010
Amortization and depreciation	-7,909	-151	-231	-67	-161	-1,943	-10,462	--	-10,462
Employee benefits	-15,574	-2,071	-3,203	-1,086	-1,035	--	-22,969	--	-22,969
Impairment of financial assets	-435	--	-146	-99	--	-5	-685	--	-685
Other expenses	-13,290	-3,758	-5,682	-1,308	-10,192	-4,782	-39,012	5,891	-33,121
Net other income/expenses	**-29,856**	**-5,534**	**-8,795**	**-2,297**	**-10,019**	**-6,726**	**-63,227**	**0**	**-63,227**
Net profit/loss before finance costs	**238,365**	**69,850**	**61,224**	**24,342**	**5,313**	**-7,208**	**391,886**	**0**	**391,886**
Interest income	2,470	13	--	--	8,976	197	11,656	-10,703	953
Interest expense	-42,091	-5,860	-18,198	-5,329	-7,088	-671	-79,237	10,703	-68,534
Other financial expenses	-4,304	-744	-2,863	-1,133	-2,222	-235	-11,501	--	-11,501
Other financial gains/losses	-23,033	-2,496	2,744	657	-105	-146	-22,379	--	-22,379
Net finance costs	**-66,958**	**-9,087**	**-18,317**	**-5,805**	**-439**	**-855**	**-101,461**	**0**	**-101,461**
Profit/loss before income tax	**171,407**	**60,763**	**42,907**	**18,537**	**4,874**	**-8,063**	**290,425**	**0**	**290,425**
Income tax expense	-24,986	-6,765	-662	-4,081	-2,801	1,394	-37,901	--	-37,901
Profit for the period	**146,421**	**53,998**	**42,245**	**14,456**	**2,073**	**-6,669**	**252,524**	**0**	**252,524**
Profit attributable to:									
Non-controlling interests	-406	--	--	--	--	--	-406	--	-406
Equity holders of the Company	**146,015**	**53,998**	**42,245**	**14,456**	**2,073**	**-6,669**	**252,118**	**0**	**252,118**

Assets and liabilities by segments as at 31 December 2020 are as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel Segment	Total Segments	Intersegment eliminations	Total
Assets									
Investment property	3,543,874	371,820	943,630	362,940	163,966	--	5,386,230	--	5,386,230
Investment property under development	246,246	68,579	32,199	24,180	16,143	--	387,347	--	387,347
Property, plant and equipment	37,658	300	683	188	563	59,492	98,884	--	98,884
intangible assets	2,371	--	--	--	47	--	2,418	--	2,418
Trade and other receivables	2,140	5,141	3,765	10	740	--	11,796	--	11,796
Financial derivatives	--	--	--	--	--	--	0	--	0
Financial investments	326	--	--	--	195	--	521	--	521
Receivables from related parties	8,078	--	--	--	1,003,283	--	1,011,361	-969,315	42,046
Deferred tax assets	11,732	13	1,901	--	25	751	14,422	--	14,422
Total non-current assets	**3,852,425**	**445,853**	**982,178**	**387,318**	**1,184,962**	**60,243**	**6,912,979**	**-969,315**	**5,943,664**
Trade and other receivables	29,484	8,261	19,613	2,690	7,193	700	67,941	--	67,941
Short-term receivables due from related parties	46,686	--	--	1,914	4,612	49	53,261	-53,216	45
Financial derivatives	--	--	--	--	--	--	0	--	0
Contract assets	11,543	--	--	--	1,313	22	12,878	--	12,878
Current income tax receivable	412	105	1,470	181	401	123	2,692	--	2,692
Assets held for sale	--	--	--	--	--	--	0	--	0
Cash and cash equivalents	26,379	15,864	12,234	5,010	356,551	3,103	419,141	--	419,141
Total current assets	**114,504**	**24,230**	**33,317**	**9,795**	**370,070**	**3,997**	**555,913**	**-53,216**	**502,697**
Total assets	**3,966,929**	**470,083**	**1,015,495**	**397,113**	**1,555,032**	**64,240**	**7,468,892**	**-1,022,531**	**6,446,361**
Total equity	**1,517,530**	**216,215**	**309,403**	**114,193**	**71,979**	**34,913**	**2,264,233**	**0**	**2,264,233**
Liabilities									
Interest-bearing loans and borrowings from financial institutions	1,435,317	129,246	242,430	--	385,006	--	2,191,999	--	2,191,999
Bond issued	--	--	--	--	1,041,971	--	1,041,971	--	1,041,971
Trade and other payables	12,467	2,527	1,754	1,476	1,922	3,239	23,385	--	23,385
Long-term payables to related parties	369,808	84,112	345,267	186,083	-1,196	19,785	1,003,859	-969,315	34,544
Financial derivatives	25,408	902	886	--	--	--	27,196	--	27,196
Provisions	--	--	--	--	--	--	0	--	0
Deferred tax liabilities	406,129	18,730	45,434	27,255	4,801	2,430	504,779	--	504,779
Total non-current liabilities	**2,249,129**	**235,517**	**635,771**	**214,814**	**1,432,504**	**25,454**	**4,793,189**	**-969,315**	**3,823,874**
Interest-bearing loans and borrowings from financial institutions	45,383	6,321	37,446	58,678	12,460	--	160,288	--	160,288
Bonds issued	--	--	--	--	--	--	0	--	0
Trade and other payables	132,156	9,975	26,008	8,166	-9,084	1,785	169,006	--	169,006
Short-term payables to related parties	2,627	1,591	5,384	1,066	43,178	1,997	55,843	-53,216	2,627
Financial derivatives	5,945	227	698	--	--	--	6,870	--	6,870
Current income tax payables	14,159	237	785	196	3,995	91	19,463	--	19,463
Liabilities associated with assets held for sale	--	--	--	--	--	--	0	--	0
Provisions	--	--	--	--	--	--	0	--	0
Total current liabilities	**200,270**	**18,351**	**70,321**	**68,106**	**50,549**	**3,873**	**411,470**	**-53,216**	**358,254**
Total liabilities	**2,449,399**	**253,868**	**706,092**	**282,920**	**1,483,053**	**29,327**	**5,204,659**	**-1,022,531**	**4,182,128**
Total equity and liabilities	**3,966,929**	**470,083**	**1,015,495**	**397,113**	**1,555,032**	**64,240**	**7,468,892**	**-1,022,531**	**6,446,361**

Results of the segments for 12-month period ended 31 December 2019 is as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel segment	Total Segments	Intersegent eliminations	Total
Rental income	173,060	21,321	41,084	18,422	4,099	--	257,986	--	257,986
Service charge income	12,862	2,986	4,588	1,815	128	--	22,379	--	22,379
Property operating expenses	-20,630	-6,377	-9,472	-3,200	-444	-452	-40,575	--	-40,575
Net rental income	**165,292**	**17,930**	**36,200**	**17,037**	**3,783**	**-452**	**239,790**	**0**	**239,790**
Hotel operating revenue	--	--	--	--	--	17,312	17,312	--	17,312
Hotel operating expenses	--	--	--	--	--	-11,545	-11,545	--	-11,545
Net operating income from hotel operations	**0**	**0**	**0**	**0**	**0**	**5,767**	**5,767**	**0**	**5,767**
Income from development activities	4,483	--	--	--	--	--	4,483	--	4,483
Expenses from development activities	-3,927	--	--	--	--	--	-3,927	--	-3,927
Net income from development activities	**556**	**0**	**0**	**0**	**0**	**0**	**556**	**0**	**556**
Total revenues	**190,405**	**24,307**	**45,672**	**20,237**	**4,227**	**17,312**	**302,160**	**0**	**302,160**
Total attributable external expenses	**-24,557**	**-6,377**	**-9,472**	**-3,200**	**-444**	**-11,997**	**-56,047**	**0**	**-56,047**
Net valuation result on investment property	**257,983**	**48,525**	**67,064**	**27,106**	**6,097**	**0**	**406,775**	**0**	**406,775**
Other income	12,206	-20	47	-659	-1,234	8	10,348	-1,254	9,094
Amortization and depreciation	-7,165	-225	-355	-51	-97	-1,860	-9,753	--	-9,753
Employee benefits	-11,145	-1,760	-2,991	-706	-570	--	-17,172	--	-17,172
Impairment of financial assets	-226	65	227	25	-100	--	-9	--	-9
Other expenses	-7,488	-4,338	-1,479	-813	-4,047	-238	-18,403	1,254	-17,149
Net other income/expenses	**-13,818**	**-6,278**	**-4,551**	**-2,204**	**-6,048**	**-2,090**	**-34,989**	**0**	**-34,989**
Net profit/loss before finance costs	**410,013**	**60,177**	**98,713**	**41,939**	**3,832**	**3,225**	**617,899**	**0**	**617,899**
Interest income	2,641	7	1	--	7,186	321	10,156	-9,574	582
Interest expense	-39,344	-5,532	-16,039	-4,475	-137	-1,066	-66,593	9,574	-57,019
Other financial expenses	-12,918	-622	-1,689	-493	-50	-172	-15,944	--	-15,944
Other financial gains/losses	-41,937	-1,766	-834	297	-479	-90	-44,809	--	-44,809
Net finance costs	**-91,558**	**-7,913**	**-18,561**	**-4,671**	**6,520**	**-1,007**	**-117,190**	**0**	**-117,190**
Profit/loss before income tax	**318,455**	**52,264**	**80,152**	**37,268**	**10,352**	**2,218**	**500,709**	**0**	**500,709**
Income tax expense	-77,989	-4,213	-13,776	-10,096	-1,959	-515	-108,548	--	-108,548
Profit for the period	**240,466**	**48,051**	**66,376**	**27,172**	**8,393**	**1,703**	**392,161**	**0**	**392,161**
Profit attributable to:									
Non-controlling interests	-1,314	--	--	--	1,328	--	14	--	14
Equity holders of the Company	**239,152**	**48,051**	**66,376**	**27,172**	**9,721**	**1,703**	**392,175**	**0**	**392,175**

Assets and liabilities by segments as at 31 December 2019 are as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel Segment	Total Segments	Intersegment eliminations	Total
Assets									
Investment property	3,314,964	281,300	695,729	314,620	114,745	--	4,721,358	--	4,721,358
Investment property under development	243,901	60,167	78,190	48,107	10,362	--	440,727	--	440,727
Property, plant and equipment	41,424	340	631	155	372	74,168	117,090	--	117,090
Intangible assets	3,305	--	--	--	--	--	3,305	--	3,305
Trade and other receivables	4,075	456	5,057	1,341	826	--	11,755	--	11,755
Financial derivatives	88	165	--	150	--	--	403	--	403
Financial investments	1,142	--	--	--	138	--	1,280	--	1,280
Receivables from related parties	266,225	--	1	--	46,360	12,599	325,185	-270,928	54,257
Deferred tax assets	3,775	680	187	2,598	74	2	7,316	--	7,316
Total non-current assets	**3,878,899**	**343,108**	**779,795**	**366,971**	**172,877**	**86,769**	**5,628,419**	**-270,928**	**5,357,491**
Trade and other receivables	43,819	9,023	21,403	11,333	3,095	1,722	90,395	--	90,395
Short-term receivables due from related parties	172	7	9	--	56,667	--	56,855	-56,712	143
Financial derivatives	278	32	--	27	--	--	337	--	337
Contract assets	8,411	2	2	--	--	46	8,461	--	8,461
Current income tax receivable	4,031	131	687	492	7	--	5,348	--	5,348
Assets held for sale	--	--	--	--	--	--	0	--	0
Cash and cash equivalents	33,371	8,581	11,041	2,116	3,944	4,768	63,821	--	63,821
Total current assets	**90,082**	**17,776**	**33,142**	**13,968**	**63,713**	**6,536**	**225,217**	**-56,712**	**168,505**
Total assets	**3,968,981**	**360,884**	**812,937**	**380,939**	**236,590**	**93,305**	**5,853,636**	**-327,640**	**5,525,996**
Total equity	**1,378,043**	**151,291**	**233,606**	**105,440**	**126,032**	**48,436**	**2,042,848**	**0**	**2,042,848**
Liabilities									
Interest-bearing loans and borrowings from financial institutions	1,841,552	128,621	356,266	119,663	16,030	32,803	2,494,935	--	2,494,935
Bond issued	--	--	--	--	--	--	0	--	0
Trade and other payables	15,552	1,054	729	984	34	3,319	21,672	--	21,672
Long-term payables to related parties	35,551	48,146	120,089	49,344	58,879	--	312,009	-270,928	41,081
Financial derivatives	8,659	15	1,559	474	164	142	11,013	--	11,013
Provisions	--	--	--	--	--	--	0	--	0
Deferred tax liabilities	398,984	13,041	43,520	25,996	6,335	3,480	491,356	--	491,356
Total non-current liabilities	**2,300,298**	**190,877**	**522,163**	**196,461**	**81,442**	**39,744**	**3,330,985**	**-270,928**	**3,060,057**
Interest-bearing loans and borrowings from financial institutions	92,648	6,395	17,615	64,097	834	1,289	182,878	--	182,878
Bonds issued	--	--	--	--	--	--	0	--	0
Trade and other payables	117,761	10,276	14,886	12,870	9,754	2,901	168,448	--	168,448
Short-term payables to related parties	73,748	599	23,398	271	18,044	657	116,717	-56,712	60,005
Financial derivatives	2,639	1,111	842	435	33	52	5,112	--	5,112
Current income tax payables	3,855	335	427	1,365	451	215	6,648	--	6,648
Liabilities associated with assets held for sale	--	--	--	--	--	--	0	--	0
Provisions	-11	--	--	--	--	11	0	--	0
Total current liabilities	**290,640**	**18,716**	**57,168**	**79,038**	**29,116**	**5,125**	**479,803**	**-56,712**	**423,091**
Total liabilities	**2,590,938**	**209,593**	**579,331**	**275,499**	**110,558**	**44,869**	**3,810,788**	**-327,640**	**3,483,148**
Total equity and liabilities	**3,968,981**	**360,884**	**812,937**	**380,939**	**236,590**	**93,305**	**5,853,636**	**-327,640**	**5,525,996**

Results of the segments for 12-month period ended 31 December 2018 is as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel segment	Total Segments	Intersegent eliminations	Total
Rental income	176,370	10,332	34,386	16,911	3,961	--	241,960	--	241,960
Service charge income	11,890	1,892	4,232	1,703	273	--	19,990	--	19,990
Property operating expenses	-15,159	-4,917	-5,307	-2,941	-736	-739	-29,799	--	-29,799
Net rental income	**173,101**	**7,307**	**33,311**	**15,673**	**3,498**	**-739**	**232,151**	**0**	**232,151**
Hotel operating revenue	--	--	--	--	--	16,805	16,805	--	16,805
Hotel operating expenses	--	--	--	--	--	-10,681	-10,681	--	-10,681
Net operating income from hotel operations	**0**	**0**	**0**	**0**	**0**	**6,124**	**6,124**	**0**	**6,124**
Income from development activities	-374	1,293	92	418	--	--	1,429	--	1,429
Expenses from development activities	263	-1,151	-152	-303	--	--	-1,343	--	-1,343
Net income from development activities	**-111**	**142**	**-60**	**115**	**0**	**0**	**86**	**0**	**86**
Total revenues	**187,886**	**13,517**	**38,710**	**19,032**	**4,234**	**16,805**	**280,184**	**0**	**280,184**
Total attributable external expenses	**-14,896**	**-6,068**	**-5,459**	**-3,244**	**-736**	**-11,420**	**-41,823**	**0**	**-41,823**
Net valuation result on investment property	**155,502**	**20,498**	**40,410**	**9,497**	**13,473**	**0**	**239,380**	**0**	**239,380**
Other income	23,911	822	3,506	-216	23,569	49	51,641	-1,948	49,693
Amortization and depreciation	-3,561	-82	-242	-51	-120	-1,782	-5,838	--	-5,838
Employee benefits	-9,504	-1,238	-2,842	-772	-492	--	-14,848	--	-14,848
Impairment of financial assets	492	414	-977	-39	--	--	-110	--	-110
Other expenses	-13,018	-3,216	-5,833	-846	-3,230	-40	-26,183	1,948	-24,235
Net other income/expenses	**-1,680**	**-3,300**	**-6,388**	**-1,924**	**19,727**	**-1,773**	**4,662**	**0**	**4,662**
Net profit/loss before finance costs	**326,812**	**24,647**	**67,273**	**23,361**	**36,698**	**3,612**	**482,403**	**0**	**482,403**
Interest income	3,842	--	--	--	6,198	6	10,046	-8,093	1,953
Interest expense	-41,199	-4,663	-12,398	-3,569	-754	-1,068	-63,651	8,093	-55,558
Other financial expenses	-5,457	-262	-1,529	-141	-193	-399	-7,981	--	-7,981
Other financial gains/losses	2,504	556	-964	-616	63,905	-168	65,217	-63,856	1,361
Net finance costs	**-40,310**	**-4,369**	**-14,891**	**-4,326**	**69,156**	**-1,629**	**3,631**	**-63,856**	**-60,225**
Profit/loss before income tax	**286,502**	**20,278**	**52,382**	**19,035**	**105,854**	**1,983**	**486,034**	**-63,856**	**422,178**
Income tax expense	-45,214	-2,070	-9,186	-773	-3,113	-314	-60,670	--	-60,670
Profit for the period	**241,288**	**18,208**	**43,196**	**18,262**	**102,741**	**1,669**	**425,364**	**-63,856**	**361,508**
Profit attributable to:									
Non-controlling interests	--	--	--	--	3,392	--	3,392	--	3,392
Equity holders of the Company	**241,288**	**18,208**	**43,196**	**18,262**	**106,133**	**1,669**	**428,756**	**-63,856**	**364,900**

Assets and liabilities by segments as at 31 December 2018 are as follows:

In EUR thousand	Czech Republic	Hungary	Romania	Slovakia	Other	Hotel Segment	Total Segments	Intersegment eliminations	Total
Assets									
Investment property	2,929,548	231,305	575,940	217,802	69,373	--	4,023,968	--	4,023,968
Investment property under development	190,027	18,519	53,357	43,610	9,844	--	315,357	--	315,357
Property, plant and equipment	47,026	310	885	167	354	71,021	119,763	--	119,763
Intangible assets	4,438	--	83	15	--	--	4,536	--	4,536
Trade and other receivables	17,945	1,170	4,331	4	422	--	23,872	--	23,872
Financial derivatives	1,047	--	--	--	--	--	1,047	--	1,047
Financial investments	--	--	--	--	198	--	198	--	198
Receivables from related parties	94,714	--	--	--	157,906	11,253	263,873	-248,406	15,467
Deferred tax assets	6,376	12	266	49	73	--	6,776	--	6,776
Total non-current assets	**3,291,121**	**251,316**	**634,862**	**261,647**	**238,170**	**82,274**	**4,759,390**	**-248,406**	**4,510,984**
Trade and other receivables	30,751	8,387	23,298	5,354	1,609	1,900	71,299	--	71,299
Short-term receivables due from related parties	6,404	14	102	--	2,557	--	9,077	-8,767	310
Financial derivatives	402	--	--	--	--	--	402	--	402
Contract assets	1,300	2.00	--	--	--	41	1,343	--	1,343
Current income tax receivable	5,976	302	344	--	14	102	6,738	--	6,738
Assets held for sale	--	--	--	--	--	--	0	--	0
Cash and cash equivalents	12,109	11,286	12,866	2,570	3,165	4,288	46,284	--	46,284
Total current assets	**56,942**	**19,991**	**36,610**	**7,924**	**7,345**	**6,331**	**135,143**	**-8,767**	**126,376**
Total assets	**3,348,063**	**271,307**	**671,472**	**269,571**	**245,515**	**88,605**	**4,894,533**	**-257,173**	**4,637,360**
Total equity	**378,815**	**88,683**	**159,163**	**69,586**	**221,812**	**42,652**	**960,711**	**0**	**960,711**
Liabilities									
Interest-bearing loans and borrowings from financial institutions	1,442,331	98,472	279,167	109,148	14,415	33,801	1,977,334	--	1,977,334
Bond issued	--	--	--	--	--	--	0	--	0
Trade and other payables	10,988	1,180	758	986	52	3,461	17,425	--	17,425
Long-term payables to related parties	966,998	60,263	141,397	46,827	120	--	1,215,605	-248,406	967,199
Financial derivatives	9,884	454	1,224	699	--	118	12,379	--	12,379
Provisions	--	--	--	--	14	--	14	--	14
Deferred tax liabilities	333,720	8,590	32,708	14,203	6,043	2,313	397,577	--	397,577
Total non-current liabilities	**2,763,921**	**168,959**	**455,254**	**171,863**	**20,644**	**39,693**	**3,620,334**	**-248,406**	**3,371,928**
Interest-bearing loans and borrowings from financial institutions	112,832	5,404	17,765	14,072	925	1,257	152,255	--	152,255
Bonds issued	--	--	--	--	--	--	0	--	0
Trade and other payables	87,714	7,200	32,671	13,454	1,120	2,798	144,957	--	144,957
Short-term payables to related parties	34	558	5,785	502	141	1,928	8,948	-8,767	181
Financial derivatives	2,787	63	564	348	--	32	3,794	--	3,794
Current income tax payables	2,013	415	81	-285	835	233	3,292	--	3,292
Liabilities associated with assets held for sale	--	--	--	--	--	--	0	--	0
Provisions	-53	25	189	31	38	12	242	--	242
Total current liabilities	**205,327**	**13,665**	**57,055**	**28,122**	**3,059**	**6,260**	**313,488**	**-8,767**	**304,721**
Total liabilities	**2,969,248**	**182,624**	**512,309**	**199,985**	**23,703**	**45,953**	**3,933,822**	**-257,173**	**3,676,649**
Total equity and liabilities	**3,348,063**	**271,307**	**671,472**	**269,571**	**245,515**	**88,605**	**4,894,533**	**-257,173**	**4,637,360**

6. Changes in the Group Structure

In addition to the common control transaction as mentioned in note 3c, CTP initiated in 2019 a legal restructuring mainly of the companies which are part of the Czech Industrial Portfolio with the aim to simplify the company structure and decrease the administrative burden. The legal restructuring consists of several mergers, demergers and spin-offs of over 40 SPVs, all effective from 1 January 2020. As a consequence of the legal restructuring, part of companies ceased to exist as per 1 January 2020 and all assets and liabilities of the dissolved companies were transferred to the respective successor company. For the list of companies included in process of restructuring, please refer to Note 32 Subsidiaries.

Acquisition, disposals

In 2020, the Group has acquired and disposed the below mentioned subsidiaries:

Subsidiary	Acquisition date
CTPARK BUCHAREST UPSILON SRL	16 March 2020
Valkenburg s.r.o.	2 September 2020
LogMaxx Beta doo Beograd	23 December 2020

with the effect on the financial statement of the Group as follows:

In EUR thousand	Acquisitions 2020
Investment property	47,141
Investment property under development	--
Cash and cash equivalents	761
Trade and other receivables	2,613
Total assets	**50,515**
Trade and other liabilities	-3,771
Interest bearing loans	-18,867
Total liabilities	**-22,638**
Net assets acquired	**27,877**
Consideration paid	27,877
Net cash outflow	**27,116**

The acquisitions were recognized as a property asset acquisition as acquired companies does not represent a business as defined by IFRS 3.

During the year 2020, the subsidiaries CTPark Lviv LLC, CTPark Ukraine LLC and IQ Lviv LLC were disposed outside of the Group.

In 2019, the Group has acquired the below mentioned subsidiaries:

Subsidiary	Acquisition date
Development OVA West a.s.	30 April 2019
CTP Invest XXX, spol. s r.o.	18 June 2019
CTP Bucharest A1 SRL	30 June 2019
CTP Borská Pole, spol. s r.o.	3 September 2019
CTP Lambda doo Beograd	31 December 2019

with the effect on the financial statement of the Group as follows:

In EUR thousand	Acquisitions 2019
Investment property	54,548
Investment property under development	427
Cash and cash equivalents	301
Trade and other receivables	1,008
Total assets	**56,284**
Trade and other liabilities	-4,414
Interest bearing loans	-31,191
Total liabilities	**-35,605**
Net assets acquired	**20,679**
Consideration paid	20,679
Net cash outflow	**20,378**

The acquisitions were recognized as a property asset acquisition as acquired companies does not represent a business as defined by IFRS 3.

In 2018 the Group sold several SPV's of Portfolio A, owning investment properties in several parks in Bohemia, Czech Republic (refer to Note 10). The effect of the sale of these SPV' s on the financial statements was as follows:

In EUR thousand	Disposals 2018
Investment property	326,480
Investment property under development	53,475
Trade receivables	16,421
Total assets	**396,376**
Liabilities	-3,999
Deferred tax liability	-32,735
Total liabilities	**-36,734**
Net assets sold	**359,642**
Proceeds from sale of subsidiaries	391,974
Gain on sale of subsidiaries	**32,332**

In 2018, the Group has acquired CTPark Ten Kft. with net asset value as at date of acquisition of EUR 217 thousand for the consideration paid of EUR 23 thousand.

7. Gross rental income

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Industrial	457,309	240,905	216,404	203,441
Office	57,263	31,061	26,202	26,674
Retail	1,842	825	1,017	786
Other	33,507	19,144	14,363	11,059
Total rental income	**549,921**	**291,935**	**257,986**	**241,960**
Service charge income	48,261	25,882	22,379	19,990
Total gross rental income	**598,182**	**317,817**	**280,365**	**261,950**

CTP leases out its investment property under operating leases. The operating leases are generally for terms of 5 - 15 years.

Other gross rental income represents termination fees, rental income from rent of parking slots, garages, yards, porches and cloakrooms.

Service charge income represents fixed contractual income receivable from tenants for maintenance, cleaning, security, garbage management and usage of infrastructure.

The revenues were generated in the following countries where CTP operates:

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Czech Republic	387,092	201,201	185,891	188,259
Romania	100,984	55,281	45,703	38,618
Hungary	53,156	28,849	24,307	12,224
Slovakia	45,598	25,361	20,237	18,614
Poland	3,704	1,918	1,786	2,497
Germany	2,982	1,506	1,476	1,542
Serbia	4,332	3,539	793	26
Austria	307	135	172	170
Bulgaria	27	27	--	--
Total gross rental income	**598,182**	**317,817**	**280,365**	**261,950**

8. Revenues from contracts with customers

According to requirements of IFRS 15, the revenues related to contract with customers are as follows:

In EUR thousand	1.1.2019 - 31.12.2020			2020			2019			2018		
	Revenues	Attributable external expenses		Revenues	Attributable external expenses		Revenues	Attributable external expenses		Revenues	Attributable external expenses	
Hotel operating revenue	23,064			5,752			17,312			16,805		
Hotel operating expenses		-17,442			-5,897			-11,545			-10,681	
Net operating income from hotel operations			**5,622**			**-145**			**5,767**			**6,124**
Income from development activities	53,894			49,411			4,483			1,429		
Expenses from development activities		-30,911			-26,984			-3,927			-1,343	
Net income from development activities			**22,983**			**22,427**			**556**			**86**
Total revenues from contract with customers	**76,958**			**55,163**			**21,795**			**18,234**		
Total external expenses related to contract with customers		**-48,353**			**-32,881**			**-15,472**			**-12,024**	
Net income from contract with customers			**28,605**			**22,282**			**6,323**			**6,210**

Net operating income from hotel operations

Net operating income from hotel operations is represented by revenues and expenses from operating three hotels in the Czech Republic. All hotels are operated under the Courtyard by Marriott brand.

Revenues from hotel operations are represented by very short-term contracts with customers. The hospitality services are invoiced nearly the same time as the respective service is provided.

Net income from development activities

Net income from development activities represents income from construction project provided by CTP to third party companies, main part of construction represents extras and fit outs for tenants.

In period from 1 January 2019 to 31 December 2020 the Group has constructed turn key project for third party in Stříbro in the Czech Republic. Total income from development activities includes revenues related to this project of EUR 41,824 thousand and related expenses of EUR 19,484 thousand.

In 2018, the income and expenses from development activities includes development of extras and specific fit outs for tenants.

9. Property operating expenses

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Maintenance and repairs	-45,189	-22,030	-23,159	-15,940
Park Management expenses	-17,370	-7,664	-9,706	-7,590
Real estate tax	-10,785	-5,337	-5,448	-4,310
Insurance	-3,374	-1,693	-1,681	-1,112
Other	-1,005	-424	-581	-847
Total property operating expenses	**-77,723**	**-37,148**	**-40,575**	**-29,799**

The park management expenses represent expenses for utilities, park maintenance, cleaning, security and garbage management provided by external suppliers. These expenses are covered by the service charges that are charged to the tenants.

10.Other income

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Gains from sale of assets	5,842	--	5,842	45,357
Income from sale of electricity	6,577	3,326	3,251	3,185
Other income	685	684	1	1,151
Total other income	**13,104**	**4,010**	**9,094**	**49,693**

Gains from sale of assets in 2019 consists of sale of investment property and land to external partners.

Gains from sale of assets in 2018 particularly consists of gain from sale of Portfolio A SPVs of EUR 32,332 thousand, gain from sale of Local distribution network in amount of EUR 7,595 thousand and gain from sale of buildings in Romania and Hungary in amount of EUR 4,808 thousand.

Gain from sale of Portfolio A includes a sale of 8 subsidiaries in the value of EUR 359,642 thousand. The selling price amounted to EUR 391,974 thousand.

11.Employee benefits

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Wages and salaries	-30,586	-17,386	-13,200	-11,335
Social security contributions	-6,603	-3,791	-2,812	-2,546
Other personnel expenses	-2,952	-1,792	-1,160	-967
Total employee benefits	**-40,141**	**-22,969**	**-17,172**	**-14,848**

The average full time equivalent of employees in 2020 was 379 (2019 – 345; 2018 – 324) and all except one are working outside the Netherlands.

weighted average number of employees per segments	2020	2019	2018
Czech Republic	233	225	217
Romania	61	70	62
Hungary	40	19	17
Slovakia	26	20	19
Other	19	11	9
Total employee number	**379**	**345**	**324**

The number of equivalent employees working full-time as at 31 December 2020 was 394 (2019 – 385; 2018 – 374).

12.Other expenses (including administrative expenses)

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Energy and material consumption	-3,091	-1,645	-1,446	-2,338
Legal, tax and audit	-10,862	-7,573	-3,289	-5,599
Fee for real estate consultants and brokers	-4,863	-2,575	-2,288	-2,464
Penalties	-2,011	-1,058	-953	-1,144
Taxes and charges	-3,135	-1,881	-1,254	-2,035
Advertising and promotion expenses	-4,587	-2,410	-2,177	-1,881
Telecommunication expenses	-3,230	-1,847	-1,383	-1,152
Rent	-2,366	-866	-1,500	-2,086
Receivables written off	-4,088	-2,805	-1,283	-252
Impairment losses on non-financial assets	-4,993	-4,993	--	--
Loss from sale of assets	-933	-933	--	--
Other	-6,111	-4,535	-1,576	-5,284
Total other expenses	**-50,270**	**-33,121**	**-17,149**	**-24,235**

Other expenses include costs for insurance, gifts and donations.

Impairment losses on non-financial assets comprise mainly impairment to hotels of EUR 4,681 thousand due to decrease in fair market value during 2020 (refer to Note 20).

13.Interest expense

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Bank interest expense	-94,122	-48,689	-45,433	-45,065
Interest expense from liabilities due from related parties	-5,518	-2,108	-3,410	-1,982
Interest expense from financial derivative instruments	-14,140	-8,255	-5,885	-6,414
Arrangement fees	-8,091	-5,800	-2,291	-2,097
Interest expense from bonds issued	-3,682	-3,682	--	--
Interest expense	**-125,553**	**-68,534**	**-57,019**	**-55,558**

14.Other financial expenses

in EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Bank fees	-8,468	-5,065	-3,403	-2,248
Financing fees	-18,730	-6,358	-12,372	-4,870
Other financial expenses	-247	-78	-169	-863
Other financial expenses	**-27,445**	**-11,501**	**-15,944**	**-7,981**

In 2020 the financing fees include prepayment fee of EUR 3,095 thousand for premature loan repayments from bonds issued in October and November 2020 (refer to Note 27).

In 2019 the financing fees include prepayment fee of EUR 8,569 thousand for premature loan repayments enabling the syndicate refinancing of the Czech industrial Portfolio.

15. Other financial gains/(losses)

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Change in FMV of derivatives and associated close out costs	-73,266	-40,272	-32,994	-10,441
Foreign exchange gains/(losses)	5,983	17,866	-11,883	11,135
Other financial gains/ (losses)	95	27	68	667
Other financial gains/(losses)	**-67,188**	**-22,379**	**-44,809**	**1,361**

Premature termination fees of derivatives connected with the refinancing of interest-bearing loans and borrowings from financial institutions with money raised from the issuing of bonds in 2020 amounted to EUR 18,817 thousand.

Due to the premature termination of the derivatives related to the refinancing of the Czech industrial Portfolio an amount of EUR 31,705 thousand has been paid in June 2019.

16. Income tax expense

In EUR thousand	1.1.2019 - 31.12.2020	2020	2019	2018
Current tax income/(expense) related to				
Current year	-41,063	-23,736	-17,327	-12,577
Prior period	-2,045	-1,562	-483	-53
Total	**-43,108**	**-25,298**	**-17,810**	**-12,630**
Deferred tax expense				
Deferred tax expense	-103,341	-12,603	-90,738	-48,040
Total	**-103,341**	**-12,603**	**-90,738**	**-48,040**
Total income tax expense in statement of profit and loss and other comprehensive income	**-146,449**	**-37,901**	**-108,548**	**-60,670**

The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

Reconciliation of effective tax rate

	1.1.2019 - 31.12.2020		2020		2019		2018	
In EUR thousand	Tax base	Tax	Tax base	Tax	Tax base	Tax	Tax base	Tax
Profit / Loss before income tax	791,134	197,783	290,425	72,606	500,709	125,177	422,179	105,545
Company's domestic tax rate	25%		25.0%		25.0%		25.0%	
Tax non-deductible expenses	96,588	24,147	31,847	7,962	64,741	16,185	73,417	18,354
Tax exempt income	-12,770	-3,193	-11,795	-2,949	-976	-244	-145,478	-36,370
Income tax adjustment for prior years	9,720	2,430	9,720	2,430	--	--	--	--
Effect of unrecognised deffered tax asset related to tax losses (including current year losses)	--	--	--	--	--	--	--	--
Effect of tax rates in foreign jurisdictions	--	-55,443	--	-21,075	--	-34,368	--	-23,775
Other items	-77,101	-19,275	-84,294	-21,073	7,193	1,798	-12,338	-3,084
Tax base	**807,570**	**146,449**	**235,903**	**37,901**	**571,667**	**108,548**	**337,780**	**60,670**
Effective income tax rate	**18%**		**16%**		**19%**		**18%**	

Tax non-deductible expenses represents receivables written off, representation expenses, tax non-deductible accruals (legal, advisory), financial expenses, penalties and gifts provided.

Other items result mainly from the translation of transactions in foreign currencies to the functional currency of the Group entities.

Tax exempt income in 2018 consists primarily of income from sale of subsidiaries relating to sale of Portfolio A.

17. Investment property

In EUR thousand	2020	2019	2018
Buildings and land	5,060,285	4,426,160	3,746,886
industrial	*4,462,367*	*3,828,858*	*3,236,725*
office	*550,937*	*554,332*	*458,995*
retail and other	*46,981*	*42,970*	*51,166*
Landbank	325,945	295,198	277,082
Total	**5,386,230**	**4,721,358**	**4,023,968**

In EUR thousand	Owned buildings and land	Landbank	Leased Assets	Total Investment Property
Balance at 1 January 2018	**3,517,271**	**243,839**	**2,017**	**3,763,127**
Transfer from/to investment property under development	96,721	-9,491	--	87,230
Transfer from/to owned buildings and land	3,963	-3,963	--	--
Acquisitions	19,602	--	--	19,602
Additions / Disposals	202,869	35,688	--	238,557
Disposals of subsidiaries	-321,054	-5,426	--	-326,480
Transfer from asset held for sale	21,188	--	--	21,188
Net valuation result	204,309	16,435	--	220,744
Balance at 31 December 2018	**3,744,869**	**277,082**	**2,017**	**4,023,968**
Balance at 1 January 2019	**3,744,869**	**277,082**	**2,017**	**4,023,968**
Transfer from/to investment property under development	100,038	22,384	--	122,422
Transfer from/to owned buildings and land	5,927	-5,927	--	--
Acquisitions	99,938	3,156	--	103,094
Additions / Disposals	207,745	667	--	208,412
Net valuation result	265,626	-2,164	--	263,462
Balance at 31 December 2019	**4,424,143**	**295,198**	**2,017**	**4,721,358**
Balance at 1 January 2020	**4,424,143**	**295,198**	**2,017**	**4,721,358**
Transfer from/to investment property under development	239,920	14,173	--	254,093
Transfer from/to owned buildings and land	6,971	-6,971	--	--
Acquisitions	97,424	5,823	--	103,247
Additions / Disposals	242,036	7,673	--	249,709
Net valuation result	47,774	10,049	--	57,823
Balance at 31 December 2020	**5,058,268**	**325,945**	**2,017**	**5,386,230**

In EUR thousand	Owned buildings and land	Landbank	Leased Assets	Total Investment Property
Balance at 1 January 2019	**3,744,869**	**277,082**	**2,017**	**4,023,968**
Transfer from/to investment property under development	339,958	36,557	--	376,515
Transfer from/to owned buildings and land	12,898	-12,898	--	--
Acquisitions	197,362	8,979	--	206,341
Additions / Disposals	449,781	8,340	--	458,121
Net valuation result	313,400	7,885	--	321,285
Balance at 31 December 2020	**5,058,268**	**325,945**	**2,017**	**5,386,230**

Owned buildings and land represent assets in CTP's legal ownership.

The landbank comprises the plots of land in CTP's ownership, which are available for development of new projects.

Investment property comprises a number of commercial properties that are leased to third parties.

Part of owned buildings and land are subject to bank collateral (refer to Note 36).

Acquisitions represents asset deal under acquisition of subsidiaries (refer to Note 6) and acquisitions of properties under asset deal agreements.

The most significant investment property additions in 2020 relate to completed construction of industrial properties in Ostrava, Prague, Plzeň and Blatnice in the Czech Republic, in Trnava and Nitra in Slovakia, in Budapest in Hungary, in Bucharest in Romania and in Belgrade and Novi Sad in Serbia.

The most significant investment property additions in 2019 relate to completed construction of office facility in Brno, industrial properties in Žatec, Cerhovice, Nupaky and Plzeň in the Czech Republic and in Kragujevac in Serbia.

In 2018 the most significant investment property additions related to completed construction of industrial properties in Bucharest in Romania, in Tatabanya in Hungary, in Prague East - Nupaky and the office facility in Brno in the Czech Republic.

Disposal of investment property in 2020 relate to sale of properties in Germany and Ukraine to external partners.

Disposal of investment property in 2019 relate to sale of industrial property and land to external partners.

Disposal of investment property in 2018 consists mainly of sale industrial properties in Portfolio A SPVs in total value of EUR 326,480 thousand (refer to Note 10 and Note 6).

Fair value hierarchy

The fair value measurement for investment property has been categorized as Level 3 recurring fair value based on the inputs to the valuation technique used in accordance with IFRS 13. There were no transfers between Levels during the year.

Management's adjustments made in respect of valuations appraisals

The management of CTP did not make any adjustments to valuation appraisals and the carrying amounts of properties fully correspond to their fair values determined by independent valuators as at 31 December 2020.

Valuation

Buildings and land
The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties, and where relevant, associated costs. A yield which reflects the risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

In view of the nature of the properties and the bases of valuation, the valuator adopted the Income Approach based on the discounted cash flow technique for a 10-year period. The cash flow assumes a 10-year holding period with the exit value calculated on the 11th year income. The cash flow is based on the rent receivable under existing lease agreements until their expiry date and the expected rental value for the period remaining in the 10-year period, as applicable. The valuator has based his opinion of the Estimated Rental Value (ERV) on this.

Valuations reflect, where appropriate, the type of tenants actually in occupation or responsible for meeting the lease commitments or likely to be in occupation after letting vacant accommodation and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between lessor and lessee; and the remaining economic life of the property. It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases, all notices, and where appropriate counter notices, have been served validly and within the appropriate time.

The assumptions used by the independent valuator for the year ended 31 December were as follows:

	2020	2019	2018
Yield			
Exit yield			
- Industrial premises	5.25% - 9.50%	5.50%-9.50%	5.75% - 9.50%
- Office properties	5.75% – 9.25%	6.00% - 9.00%	6.00% - 8.50%
- Retail	7.50%	7.50%	7.50%
Ongoing Vacancy	0.00% - 5.00%	0.00% - 5.00%	0.00% - 5.00%
ERV per sqm			
- Industrial premises	2.75 – 5.50 EUR	2.75 - 5.50 EUR	3.55 - 6.00 EUR
- Office properties	9.00 – 13.75 EUR	9.00 – 13.75 EUR	8.00 - 13.50 EUR
- Retail	7.15 EUR	7.30 EUR	7.85 EUR

Any gain or loss arising from a change in fair value is recognized in the statement of profit and loss.

The land on which the buildings are being constructed and qualifying as investment property upon construction completion is classified as investment property and hence recorded at fair value.

Landbank
The landbank comprises the plots of land in CTP's ownership, on which development projects are to be carried out. The land bank has been valued by a registered independent valuator with an appropriately recognized professional qualification and with an up–to–date knowledge and understanding of the location and category of the property.

The valuator used the Sales Comparison Approach for the valuation of the land bank. This valuation method is most useful when a number of similar properties have recently been sold or are currently for sale in the subject property market. Using this approach a value indication by comparing the subject property to prices of similar properties is produced.

The sale prices of the properties that are judged to be most comparable tend to indicate a range in which the value indication for the subject property will fall. The valuator estimated the degree of similarity or difference between the subject property and the comparable sales by considering various elements of comparison. Percentage adjustments were then applied to the sale prices of the comparable values because the prices of these properties are known, while the value of the subject property is not.

The assumptions of the independent valuator for the year ended 31 December were based on analysis of comparable evidence and adopted the following average market values per square meter:

	2020	2019	2018
- Czech Republic	61 EUR	54 EUR	61 EUR
- Slovak Republic	45 EUR	43 EUR	39 EUR
- Hungary	35 EUR	28 EUR	29 EUR
- Serbia	29 EUR	28 EUR	36 EUR
- Romania	25 EUR	25 EUR	27 EUR
- Poland	23 EUR	25 EUR	24 EUR
- Bulgaria	41 EUR	N/A	N/A
- Slovenia	75 EUR	N/A	N/A

The investment property is located in the following countries where CTP operates:

In EUR thousand	2020	2019	2018
Czech Republic	3,543,874	3,314,964	2,929,549
Romania	943,630	695,729	575,940
Hungary	371,820	281,300	231,305
Slovakia	362,940	314,620	217,802
Serbia	87,071	43,562	11,108
Poland	45,390	46,320	35,528
Bulgaria	16,482	--	--
Germany	6,353	15,862	16,192
Slovenia	5,970	4,588	2,131
Austria	2,700	2,780	2,780
Ukraine	--	1,633	1,633
Total	**5,386,230**	**4,721,358**	**4,023,968**

Sensitivity analysis on changes in assumptions of investment property valuation

CTP performed a sensitivity analysis on changes in investment property valuation except for land bank investment property as it is valued by comparable method. The table below presents the sensitivity of profit and loss before tax as at 31 December 2020, 31 December 2019 and 31 December 2018 due to changes in assumptions:

Completed investment properties as at 31 December 2020 in EUR thousand

	Current average yield	**Current market value ***	**Increased yield by 25bp**	**FMV based upon increased yield**	**Effect of increase in yield by 25bp**
Increase of 25bp in reversionary yield	6.89%	5,037,618	7.14%	4,861,344	-176,274
	Current average yield	**Current market value ***	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Decrease of 25bp in reversionary yield	6.89%	5,037,618	6.64%	5,213,892	176,274
	Current rental income including ERV from vacant space	**Decrease rental income by 500bp**	**FMV based upon decreased rental income**	**Effect of decrease in rental income by 500bp**	**Effect of increase in rental income by 500bp**
Decrease of 500bp in estimated rental income	347,323	329,957	4,785,737	-251,881	251,881

Completed investment properties as at 31 December 2019 in EUR thousand

	Current average yield	Current market value*	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in reversionary yield	6.95%	4,402,223	7.20%	4,249,395	-152,828
	Current average yield	**Current market value***	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Increase of 25bp in reversionary yield	6.95%	4,402,223	6.70%	4,555,051	152,828
	Current rental income including ERV from vacant space	**Decrease rental income by 500bp**	**FMV based upon decreased rental income**	**Effect of decrease in rental income by 500bp**	**Effect of increase in rental income by 500bp**
Decrease of 500bp in estimated rental income	306,010	290,710	4,182,112	-220,111	220,111

Completed investment properties as at 31 December 2018 in EUR thousand

	Current average yield	Current market value*	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in reversionary yield	7.02%	3,723,573	7.27%	3,595,547	-128,026
	Current average yield	**Current market value***	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Increase of 25bp in reversionary yield	7.02%	3,723,573	6.77%	3,851,599	128,026
	Current rental income	**Decrease rental income by 500bp**	**FMV based upon decreased rental income**	**Effect of decrease in rental income by 500bp**	**Effect of increase in rental income by 500bp**
Decrease of 500bp in estimated rental income	261,436	248,364	3,537,394	-186,179	186,179

* *Sensitivity analysis is calculated on standing portfolio of the Group excluding fair market values of commercial element of hotels operated in the Czech Republic of EUR 20,650 thousand in 2020 (2019 – EUR 21,920 thousand; 2018 – EUR 21,296 thousand).*

18.Investment property under development

In EUR thousand	*1.1.2019-31.12.2020*	2020	2019	2018
Balance at 1 January	315,357	440,727	315,357	310,089
Additions/disposals	202,274	98,375	103,899	124,482
Divestments	--	--	--	-53,475
Acquisitions	7,999	7,999	--	--
Transfer from/to Investment property	-376,515	-254,093	-122,422	-87,230
Net valuation result	237,652	94,339	143,313	18,636
Acquisition of subsidiaries	580	--	580	2,855
Balance at 31 December	**387,347**	**387,347**	**440,727**	**315,357**

The investment property under development comprises pipeline projects in several stages of completion and of land with planning permits in place which is still to be constructed but where pre-agreements with future tenants are available. The management estimates that all of the pipeline projects will be completed in the coming 12 months.

Investment property under development is transferred to Investment property after final building approval (occupancy permit) has been obtained by the Group.

The investment property under development is located in the following countries where CTP operates:

In EUR thousand	2020	2019	2018
Czech Republic	246,245	243,901	196,031
Hungary	68,579	60,167	18,519
Romania	32,199	78,190	52,947
Slovakia	24,180	48,107	43,610
Serbia	14,055	8,162	8
Bulgaria	1,194	--	--
Poland	895	2,200	4,242
Total	**387,347**	**440,727**	**315,357**

Fair value hierarchy

The fair value measurement for investment property under development has been categorized as Level 3 recurring fair value based on the inputs to the valuation technique used in accordance with IFRS 13. There were no transfers between Levels during the year.

Valuation

The valuator used the Residual Value Approach for the valuation of the investment property under development. In order to assess the fair value of the sites, the valuator undertook a development appraisal to assess the potential value (Gross Development Value) of the fully completed and leased development as currently proposed, and deducted hard costs, soft costs, financing costs and a developer's profit to reflect the required level of return to a developer and the risk of undertaking the development.

In assessing the Gross Development Value, the valuator adopted a market approach by estimating the market rental values for the accommodation to be developed, and the appropriate capitalisation rate which a potential investor would require, to arrive at the Fair Value of the completed and leased building.

ERV or Estimated rental value is the open market rent that a property can be reasonably expected to attain given its particular characteristics, condition, amenities, competitive position, location, and local market conditions.

The assumptions used by the independent valuator for the year ended 31 December were as follows:

	2020	2019	2018
Capitalization rates	5.25% - 9.25%	5.25% - 9.00%	5.50% - 9.00%
ERV per sqm			
- Industrial premises	3.55 – 4.75 EUR	3.50 – 6.00 EUR	3.55 - 6.00 EUR
- Office properties	13.75 – 14.25 EUR	13.75 EUR	13.25 EUR
Ongoing Vacancy – Office properties only – 3%			
Soft costs	7.00% - 10.00%	8.00% - 10.00%	8.00% - 10.00%
Finance costs	2.75%	4.00% - 8.00%	4.00% - 8.00%
Profit allowance	7.50% - 25.00%	20.00% - 25.00%	15.00% - 25.00%

Estimated rental value of industrial premises slightly decreased in 2020 due to change in structure of constructed portfolio of asset required by CTP tenants.

Sensitivity analysis on changes in assumptions of investment property under development valuation

CTP performed a sensitivity analysis on changes in investment property under development valuation. The table below presents the sensitivity of profit and loss before tax as at 31 December 2020, 31 December 2019 and 31 December 2018:

Investment properties under development as at 31 December 2020 in EUR thousand

	Current average yield	Current market value at completion	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in reversionary yield	6.63%	571,700	6.88%	550,926	-20,774
		Current rental income (including ERV from vacant space)	**Decrease rental income by 500bp**	**FMV based upon decreased rental income**	**Effect of decrease in rental income by 500bp**
Decrease of 500bp in estimated rental income		37,885	35,991	543,115	-28,585
		Current rental income (including ERV from vacant space)	**Increase rental income by 500bp**	**FMV based upon increased rental income**	**Effect of increase in rental income by 500bp**
Increase of 500bp in estimated rental income		37,885	39,779	600,285	28,585

Investment properties under development as at 31 December 2019 in EUR thousand

	Current average yield	Current market value at completion	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in reversionary yield	6.50%	709,770	6.75%	683,474	-26,296
		Current rental income (including ERV from vacant space)	**Decrease rental income by 500bp**	**FMV based upon decreased rental income**	**Effect of decrease in rental income by 500bp**
Decrease of 500bp in estimated rental income		46,120	43,814	674,281	-35,489
		Current rental income (including ERV from vacant space)	**Increase rental income by 500bp**	**FMV based upon increased rental income**	**Effect of increase in rental income by 500bp**
Increase of 500bp in estimated rental income		46,120	48,426	745,021	35,489

Investment properties under development as at 31 December 2018 in EUR thousand

	Current average yield	Current market value at completion	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in reversionary yield	6.13%	495,775	6.38%	476,334	-19,441
		Current rental income (including ERV from vacant space)	**Decrease rental income by 500bp**	**FMV based upon decreased rental income**	**Effect of decrease in rental income by 500bp**
Decrease of 500bp in estimated rental income		30,368	28,849	470,986	-24,789
		Current rental income (including ERV from vacant space)	**Increase rental income by 500bp**	**FMV based upon increased rental income**	**Effect of increase in rental income by 500bp**
Increase of 500bp in estimated rental income		30,368	31,886	520,168	24,789

An increase of developers' profit by 2% in valuators' assumptions will increase the developers profit and as a consequence will decrease the valuation gain as at 31 December 2020 by EUR 13,098 thousand (31 December 2019 – EUR 6,094 thousand; 31 December 2018 – EUR 3,624 thousand) provided all other variables remain constant.

19.Net valuation result on investment property

Reconciliation of valuation gains/losses recognized in statement of comprehensive income:

In EUR thousand		***1.1.2019-31.12.2020***	**2020**	**2019**	**2018**
Valuation gains		**676,582**	**231,603**	**444,979**	**315,716**
out of which:	*Investment Property*	*407,730*	*109,544*	*298,186*	*282,803*
	Investment Property under development	*268,852*	*122,059*	*146,793*	*32,913*
Valuation losses		**-117,645**	**-79,441**	**-38,204**	**-76,336**
out of which:	*Investment Property*	*-86,445*	*-51,721*	*-34,724*	*-62,059*
	Investment Property under development	*-31,200*	*-27,720*	*-3,480*	*-14,277*
Net valuation gains (- losses) on investment property		**558,937**	**152,162**	**406,775**	**239,380**

20.Property, plant and equipment

In EUR thousand	Hotels	Leased Property	Plant	Equipment	2020	2019	2018
Balance at 1 January	69,900	3,856	18,832	24,502	117,090	119,763	61,114
Transfer from Assets held for sale	--	--	--	--	--	--	39,800
Transfer from investment property	--	--	--	--	--	52	129
Acquisitions	--	--	--	34	34	-	1,050
Additions / Disposals	--	335	704	2,241	3,280	767	17,420
Valuation gain/loss on solar plants and hotels	-7,930	--	-606	--	-8,536	4,969	5,428
Depreciation	-1,889	-377	-1,169	-4,868	-8,303	-8,461	-5,178
Impairment loss	-4,681	--	--	--	-4,681	--	--
Balance at 31 December	**55,400**	**3,814**	**17,761**	**21,909**	**98,884**	**117,090**	**119,763**

Under Plant are presented the solar plants installed on the roofs of several buildings. The value of EUR 17,761 thousand (2019 – EUR 18,832 thousand; 2018 – EUR 20,079 thousand) represents the fair value of the solar panels based upon the independent valuation report.

The value of EUR 55,400 thousand (2019 – EUR 69,900 thousand; 2018 – EUR 66,605 thousand) represents the fair value of the hotels based upon the independent valuation report. The valuation is prepared on the basis of "Fair Value" in accordance with IFRS 13 and has been primarily derived using the discounted cashflow methodology as well as the income capitalisation approach and comparable recent market transactions on arm's length terms.

Given the uncertainties relating to the Covid-19 virus and the current restrictions on business activities, possibly there could be a decline in demand for hotels accommodation and a resulting decrease in hotel operating revenues.

Sensitivity analysis on changes in assumptions of hotel valuation

CTP performed a sensitivity analysis on changes in EBITDA to changes in Revenues per available room. The table below presents the sensitivity of EBITDA as at 31 December 2020, due to changes in assumptions:

In EUR thousand	Current EBITDA	Effect of decrease in RevPAR by 5 %	Effect of increase in RevPAR by 5 %
5% Change in RevPAR	5,745	-1,253	1,253

Under Equipment in the amount of EUR 21,909 thousand (2019 – EUR 24,502 thousand; 2018 – EUR 33,437 thousand) the real estate infrastructure (roads, greenery, energy transformers etc.) including related equipment, and means of transport are presented.

Property, plant and equipment includes also right-of-use assets of EUR 3,814 thousand (2019 – 3,856 thousand; 2018 – EUR 4,179 thousand) related to leased properties that do not meet definition of investment property (refer to Note 29).

21.Trade and other receivables

In EUR thousand	2020	2019	2018
Trade receivables	24,491	39,616	31,338
Other assets	32,325	30,874	22,835
Other tax receivables	11,125	19,905	17,126
Total trade and other receivables	**67,941**	**90,395**	**71,299**

The trade receivables consist primarily of receivables from rent and rent related income.

Other assets consist primarily of deferrals of EUR 4,412 thousand (2019 – EUR 4,519 thousand; 2018 – EUR 319 thousand), advance payments and accrued income of EUR 7,101 thousand (2019 – EUR 9,460 thousand; 2018 – EUR 12,140 thousand) and prepayments of EUR 20,812 thousand (2019 – EUR 16,895 thousand; 2018 – EUR 10,376 thousand).

Short-term receivables overdue more than 6 months total EUR 2,909 thousand (2019 – EUR 4,208 thousand; 2018 – EUR 3,654 thousand). Total expected credit losses are of EUR 3,257 thousand (2019 – EUR 4,114 thousand; 2018 – EUR 3,718 thousand).

Trade and other receivables can be analysed as follows whereas the weighted average loss rate is determined as actual credit losses over the past three years:

as at 31 December 2020

In EUR thousand	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
Current (not past due)	1.78%	17,496	-310	17,186	No
1 -30 days past due	3.18%	5,689	-181	5,508	No
31 - 60 days past due	14.95%	209	-31	178	No
61 - 90 days past due	36.97%	730	-270	460	No
91 - 182 days past due	46.48%	715	-332	383	No
184 - 365 days past due	62.04%	1,006	-624	382	Yes
Paid in more than 365 days past due	79.24%	1,903	-1,509	394	Yes
Balance at 31 December		**27,748**	**-3,257**	**24,491**	

as at 31 December 2019

In EUR thousand	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
Current (not past due)	0.57%	27,636	-158	27,478	No
1 -30 days past due	1.36%	6,389	-87	6,302	No
31 - 60 days past due	3.00%	2,034	-61	1,973	No
61 - 90 days past due	11.73%	929	-109	820	No
91 - 182 days past due	9.57%	784	-75	709	No
184 - 365 days past due	35.17%	1,177	-414	763	Yes
Paid in more than 365 days past due	48.17%	3,031	-1,460	1,571	Yes
Balance at 31 December		**41,980**	**-2,364**	**39,616**	

as at 31 December 2018

In EUR thousand	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
Current (not past due)	1.81%	15,717	-284	15,433	No
1 -30 days past due	1.10%	4,887	-54	4,833	No
31 - 60 days past due	8.37%	1,636	-137	1,499	No
61 - 90 days past due	6.63%	6,425	-426	5,999	No
91 - 182 days past due	7.73%	1,592	-123	1,469	No
184 - 365 days past due	21.70%	576	-125	451	Yes
Paid in more than 365 days past due	46.26%	3,078	-1,424	1,654	Yes
Balance at 31 December		**33,911**	**-2,573**	**31,338**	

22.Cash and cash equivalents

Cash and cash equivalents of EUR 419,141 thousand (2019 – EUR 63,821 thousand; 2018 – EUR 46,284 thousand) consist primarily of short-term deposits of EUR 295,000 thousand (2019 - EUR 0 thousand; 2018 – EUR 0 thousand) and cash at bank accounts of EUR 124,057 thousand (2019 - EUR 63,734 thousand; 2018 – EUR 46,200 thousand).

Restricted cash amounts to EUR 9,588 thousand (2019 – EUR 11,359 thousand; 2018 – EUR 23,234 thousand) and is presented under non-current trade and other receivables. Restricted cash represents balances on debt service reserve accounts.

23. Equity

Issued capital

As at 31 December 2018 and 2019 respectively, the issued capital consisted of 100 ordinary shares with nominal value of share of EUR 0.01.

In April 2020, the Company issued share capital amounted to EUR 200 thousand divided into 20 000 000 shares with nominal value of EUR 0.01. Increase of share capital by EUR 200 thousand was paid in cash as capital contribution. Nominal value of share was increased to EUR 0.16 per share and share capital increased to EUR 3,200 thousand.

In December, an additional 316 000 000 shares were issued, with the nominal value of EUR 0.16 per share.

As at 31 December 2020, the issued capital comprised of the following:

Type of shares	No. of shares	Nominal value of share	Issued capital in EUR
Ordinary shares	336,000,000	EUR 0.16	53,760,000

Share premium

In 2020, share capital increased of EUR 53,760 thousand from the reserves. Based on a shareholders resolution dated 10 January 2020 a repayment of share premium of EUR 12,500 in cash has been made to Multivest B.V.

In 2019, addition Share premium of EUR 828,682 thousand represents contribution of parent company for the Group restructuring purposes. Decrease of share premium of EUR 138,921 thousand represents distribution of funds due to restructuring of the Group. These transactions were on non-cash basis.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements from the functional to the presentation currency (refer to Note 3f).

Profit distribution

In 2018, the Group has paid dividends of EUR 1,140,400 thousand. There was no profit distribution in 2019 and 2020.

24. Earnings per share

Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	1.1.2019 - 31.12.2020			1.1.2020 - 31.12.2020			1.1.2019 - 31.12.2019			1.1.2018 - 31.12.2018		
In EUR thousand	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total
Profit/(loss) attributable to Equity holders of the Company	644,293	--	**644,293**	252,118	--	**252,118**	392,175	--	**392,175**	364,900	--	**364,900**
Dividends on non-redeemable preference shares	--	--	--	--	--	--	--	--	--	--	--	--
Profit/(loss) attributable to ordinary shareholders	**644,293**	**0**	**644,293**	**252,118**	**0**	**252,118**	**392,175**	**0**	**392,175**	**364,900**	**0**	**364,900**

	1.1.2019 - 31.12.2020			1.1.2020 - 31.12.2020			1.1.2019 - 31.12.2019			1.1.2018 - 31.12.2018		
	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total
Issued ordinary shares at 1 January	100	--	**100**	100	--	**100**	100	--	**100**	100	--	**100**
Effect of shares issued related to a busines combination	--	--	--	--	--	--	--	--	--	--	--	--
Effect of shares issued in 2020	8,257,600	--	**8,257,600**	16,515,000	--	**16,515,000**	--	--	--	--	--	--
Weighted-average number of ordinary shares at 31 December	**8,257,700**	**0**	**8,257,700**	**16,515,100**	**0**	**16,515,100**	**100**	**0**	**100**	**100**	**0**	**100**

The denominator in the calculation of basic EPS for each period presented is the number of shares as at 31 December 2020. The resulting EPS data is pro forma rather than historical but is comparable over the years/period presented.

<u>Diluted earnings per share</u>

The calculation of diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

	1.1.2019 - 31.12.2020			1.1.2020 - 31.12.2020			1.1.2019 - 31.12.2019			1.1.2018 - 31.12.2018		
In EUR thousand	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total
Profit (loss) attributable to Equity holders of the Company (basic)	644,293	--	**644,293**	252,118	--	**252,118**	392,175	--	**392,175**	364,900	--	**364,900**
Interest expense on convertible notes, net of tax	--	--	--	--	--	--	--	--	--	--	--	--
Profit/(loss) attributable to ordinary shareholders	**644,293**	**0**	**644,293**	**252,118**	**0**	**252,118**	**392,175**	**0**	**392,175**	**364,900**	**0**	**364,900**

	1.1.2019 - 31.12.2020			2020			2019			2018		
	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total	Continuing operations	Discontinuing operations	Total
Weighted-average number of ordinary shares (basic)	8,257,700	--	**8,257,700**	16,515,100	--	**16,515,100**	100	--	**100**	100	--	**100**
Effect of conversion of convertible notes	--	--	--	--	--	--	--	--	--	--	--	--
Effect of share options on issue	--	--	--	--	--	--	--	--	--	--	--	--
Weighted-average number of ordinary shares (diluted) at 31 December	**8,257,700**	**0**	**8,257,700**	**16,515,100**	**0**	**16,515,100**	**100**	**0**	**100**	**100**	**0**	**100**

25.Non-controlling interest

As at 31 December 2020 non-controlling interest (NCI) in the consolidated companies of the Group was EUR 1,031 thousand (2019 – EUR 625 thousand; 2018 – EUR 639 thousand).

In EUR thousand	**2020**	**2019**	**2018**
NCI year end percentage	**10.00%**	**8.25%**	**7.63%**
Non-current assets	12,745	18,410	72,842
Current assets	10,733	12,421	10,960
Non-current liabilities	-8,228	-12,142	-57,970
Current liabilities	-4,938	-11,113	-17,456
Net assets	**10,312**	**7,576**	**8,376**
Net assets attributable to NCI	**1,031**	**625**	**639**
Revenue	1,040	4,618	3,989
Profit	4,060	-175	-5,490
Other comprehensive income	--	--	--
Total comprehensive income	**4,060**	**-175**	**-5,490**
Other Adjustment in profit loss allocated to NCI	--	--	-2,973
Profit/(loss) allocated to NCI	**406**	**-14**	**-3,392**
OCI allocated to NCI	**--**	**--**	**--**

26. Interest-bearing loans and borrowings from financial institutions

In EUR thousand	2020	2019	2018
Non-current liabilities			
Interest-bearing loans and borrowings from financial institutions	2,203,279	2,507,777	1,978,281
Accrued arrangement fees	-11,280	-12,842	-947
Balance at 31 December	**2,191,999**	**2,494,935**	**1,977,334**

In EUR thousand	2020	2019	2018
Current liabilities			
Interest-bearing loans and borrowings from financial institutions	162,616	187,408	153,061
Accrued arrangement fees	-2,328	-4,530	-806
Balance at 31 December	**160,288**	**182,878**	**152,255**

Residual maturity of loans and borrowings from financial institutions as at 31 December 2020, 31 December 2019 and 31 December 2018 is as follows:

	Balance as at 31 December 2020				
	Due within			Due in	Total
In EUR thousand	1 year	2 years	3-5 years	follow. years	
Interest-bearing loans and borrowings from financial institutions	162,616	140,996	455,963	1,606,320	**2,365,895**

	Balance as at 31 December 2019				
	Due within			Due in	Total
In EUR thousand	1 year	2 years	3-5 years	follow. years	
Interest-bearing loans and borrowings from financial institutions	187,408	204,495	645,599	1,657,683	**2,695,185**

	Balance as at 31 December 2018				
	Due within			Due in	Total
In EUR thousand	1 year	2 years	3-5 years	follow. years	
Interest-bearing loans and borrowings from financial institutions	153,061	157,672	999,197	821,412	**2,131,342**

Interest rates for loans and borrowings are based on EURIBOR and PRIBOR, plus margins that vary from 1.01% to 3.78%, except for the bank loans provided by Aareal Bank A.G. of EUR 395,525 thousand with fixed interest rate of 1,90%.

All of the Group's interest-bearing loans and borrowings from financial institutions have, among others, loan-to-value and debt service coverage ratio covenants. As at 31 December 2020 there were no breach of covenant conditions. Bank loans are secured by pledges of shares, real estate, receivables and cash at bank accounts.

The share pledges related to interest-bearing loans are described in Note 36.

In 2020, part of industrial portfolio of the Group was refinanced by bank loan with nominal value as at 31 December 2020 of EUR 395,525 thousand provided by Aareal Bank AG.

Bank loans of EUR 555,463 thousand were repaid in 2020 from bonds issued in October and November 2020. For details refer to Note 27.

In December 2020 the Company entered into a EUR 100,000 thousand revolving credit facility for a three-year period. The Company does not expect a drawdown either partial or for the full amount under this facility in 2021.

In 2019, the Group secured the refinancing of the complete Czech Industrial portfolio by a syndicate loan facility for a total committed amount of EUR 1,888,500 thousand and another up to EUR 50,000 thousand uncommitted loan facility. The mandated lead arrangers are Erste Bank group (Erste Bank group AG and Česká spořitelna a.s.) together with UniCredit Group (UniCredit S.p.A. and UniCredit Bank Czech Republic and Slovakia a.s.) and Société Générale Group (Société Générale S.A. and Komerční banka, a.s.).

Reconciliation of movements of assets, liabilities and equity to cash flows arising from financing activities

In EUR thousand	Bank loans	Related party loans	Bonds	Lease liabilities	IRS - assets	IRS - liabilities	Issued capital	Share premium	Retained earnings	Total
Balance as at 1 January 2020	**2 677 813**	**101 086**	**0**	**5 776**	**-740**	**16 125**	**0**	**828 682**	**1 188 597**	**4 817 339**
Changes from financing cash flows										
Proceeds from Bonds	--	--	1 041 395	--	--	--	--	--	--	**1 041 395**
Proceeds from loans and borrowings	743 657	--	--	--	--	--	--	--	--	**743 657**
Transaction costs related to loans and borrowings	--	--	-2 832	--	--	-18 817	--	--	--	**-21 649**
Repayment of the loans and borrowings	-1 088 814	-20 625	--	--	--	--	--	--	--	**-1 109 439**
Proceeds from the issue of share capital	--	--	--	--	--	--	200	--	--	**200**
Repayment of share premium	--	--	--	--	--	--	--	-12 500	--	**-12 500**
Payment of lease liabilities	--	--	--	-541	--	--	--	--	--	**-541**
Total changes in financing cash flow	**-345 157**	**-20 625**	**1 038 563**	**-541**	**0**	**-18 817**	**200**	**-12 500**	**0**	**641 123**
Acquisition through business combination	18 867	--	--	--	--	--	--	--	--	**18 867**
Changes arising from acquisitions and disposal of subsidiaries business	**18 867**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**18 867**
Change in fair value	--	--	--	--	--	40 272	--	--	--	**40 272**
Other adjustment	-8 070	--	-274	--	740	-3 514	--	-19 417	-598	**-31 133**
Share issuance and formation of CTP B.V.	--	--	--	--	--	--	53 560	1 061 695	-1 115 255	**0**
Profit for the period	--	--	--	--	--	--	--	--	252 118	**252 118**
Non cash set off of Related party loans	--	-37 035		--	--	--	--	--	--	**-37 035**
Interest expense	54 321	2 276	3 682	--	--	8 255	--	--	--	**68 534**
Interest paid	-45 487	-8 530	--	--	--	-8 255	--	--	--	**-62 272**
Other liability related changes	**764**	**-43 289**	**3 408**	**0**	**740**	**-3 514**	**53 560**	**1 042 278**	**-863 735**	**190 212**
Balance at 31 December 2020	**2 352 287**	**37 172**	**1 041 971**	**5 235**	**0**	**34 066**	**53 760**	**1 858 460**	**324 862**	**5 707 813**

In EUR thousand	Bank loans	Related party loans	Lease liabilities	IRS - assets	IRS - liabilities	Total
Balance as at 1 January 2019	**2,129,589**	**967,380**	**6,196**	**-1,449**	**16,173**	**3,117,889**
Changes from financing cash flows						
Proceeds from loans and borrowings	2,042,082	--	--	--	--	**2,042,082**
Transaction costs related to loans and borrowings	--	--	--	--	-31,705	**-31,705**
Repayment of the loans and borrowings	-1,508,800	-225,000	--	--	--	**-1,733,800**
Payment of lease liabilities	--	--	-500	--	--	**-500**
Total changes in financing cash flow	**533,282**	**-225,000**	**-500**	**0**	**-31,705**	**276,077**
Acquisition through business combination	31,191	--	--	--	--	**31,191**
Changes arising from acquisitions and disposal of subsidiaries business combination	**31,191**	**0**	**0**	**0**	**0**	**31,191**
Change in fair value	--	--	--	-48	33,042	**32,994**
Other adjustment	-18,530	-325	80	757	-1,215	**-19,233**
Non cash offset of Related party loans	--	-641,294	--	--	--	**-641,294**
Interest expense/income	47,724	3,410	--	-59	5,885	**56,960**
Interest paid/received	-45,443	-3,085	--	59	-6,055	**-54,524**
Other liability related changes	**-16,249**	**-641,294**	**80**	**757**	**-1,385**	**-658,091**
Balance at 31 December 2019	**2,677,813**	**101,086**	**5,776**	**-740**	**16,125**	**2,800,060**

In EUR thousand	Bank loans	Related party loans	Lease liabilities	IRS - assets	IRS - liabilities	Retained earnings	Total
Balance as at 1 January 2018	**2,022,362**	**35,022**	**6,706**	**-3,859**	**10,342**	**1,577,374**	**3,647,947**
Changes from financing cash flows							
Proceeds from loans and borrowings	357,466	--	--	--	--	--	**357,466**
Transaction costs related to loans and borrowings	--	--	--	2,410	-4,795	--	**-2,385**
Repayment of the loans and borrowings	-273,782	-13,407	--	--	--	--	**-287,189**
Dividends		944,794		--	--	-1,140,400	**-195,606**
Payment of lease liabilities	--	--	-590	--	--	--	**-590**
Total changes in financing cash flow	**83,684**	**931,387**	**-590**	**2,410**	**-4,795**	**-1,140,400**	**-128,304**
Acquisition through business combination	23,014	--	--	--	--	--	**23,014**
Changes arising from acquisitions and disposal of subsidiaries business combination	**23,014**	**0**	**0**	**0**	**0**	**0**	**23,014**
Change in fair value	--	--	--	--	10,441	--	**10,441**
Other adjustment	--	656	80	--	185	--	**921**
Profit for the period	--	--	--	--	--	364,900	**364,900**
Interest expense/income	47,162	1,982	--	-419	6,414	--	**55,139**
Interest paid/received	-46,633	-1,667	--	419	-6,414	--	**-54,295**
Other liability related changes	**529**	**971**	**80**	**419**	**185**	**364,900**	**367,084**
Balance at 31 December 2018	**2,129,589**	**967,380**	**6,196**	**-1,030**	**16,173**	**801,874**	**3,920,182**

27.Bonds issued

On 1 October 2020, the Company CTP B.V. issued EUR 650 million unsecured bonds in nominal value of EUR 100 each. The bonds are issued as subordinated, with fix interest rate 2.125% per annum (“p.a.”) and bonds are due on 1 October 2025. The ISIN of the bonds is XS2238342484. There are no covenants related to the bonds.

On 27 November 2020, the Company CTP B.V. issued additional EUR 400 million unsecured bonds in nominal value of EUR 100 each. The bonds are issued as subordinated, with fix interest rate 0.625% p.a. and bonds are due on 27 November 2023. The ISIN of the bonds is XS2264194205. There are no covenants related to the bonds.

In EUR thousand	2020	2019	2018
Non-current liabilities			
Bonds issued - nominal value	1,050,000	--	--
Interest expense	3,682	--	--
Discount applied	-8,605	--	--
Amortisation of applied discount	345	--	--
Bond issuance costs	-3,602	--	--
Amortisation of bond issuance costs	151	--	--
Balance at 31 December	**1,041,971**	**0**	**0**

Transaction cost paid in cash as at 31 December 2020 is EUR 2,832 thousand. Remaining bonds issuance cost have been paid after year end.

28.Trade and other payables

Non-current

In EUR thousand	2020	2019	2018
Non-current trade payables and other liabilities	18,181	16,322	11,646
Liabilities from operating leases	5,204	5,350	5,779
Balance at 31 December	**23,385**	**21,672**	**17,425**

Current

In EUR thousand	2020	2019	2018
Trade payables and other liabilities	168,691	168,022	144,537
Liabilities from operating leases	315	426	420
Balance at 31 December	**169,006**	**168,448**	**144,957**

Trade payables and other liabilities consist primarily of liabilities for constructions works and liabilities related to acquisition of land.

29.Leases

Leases as lessee

The Group leases various types of assets: offices, parking places, plots of land, other small assets. For short-term leases and leases of low-value items the Group has elected not to recognise right-of-use assets and related lease liabilities.

The leasing period of the offices varies significantly from one to seventeen years. Some leases provide for additional rent payments that are based on changes in local price indices and option to terminate the contract within less than twelve months.

Parking places are leased for period of several months up to indefinite period however with the option to terminate the leasing within several days up to 3 months.

The plots of land are leased for period of nineteen years up to indefinite period to operate the Group premises.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets related to leased assets that do not meet the definition of investment property are presented as property, plant and equipment (refer to Note 20).

In EUR thousand	Property, plant and equipment	Investment property	Total
Balance at 1 January 2019	4,179	2,017	6,196
Additions	335	--	335
Disposals	--	--	0
Depreciation	-700	--	-700
Balance at 31 December 2020	**3,814**	**2,017**	**5,831**

In EUR thousand	Property, plant and equipment	Investment property	Total
Balance at 1 January 2020	3,856	2,017	5,873
Additions	335	--	335
Disposals	--	--	0
Depreciation	-377	--	-377
Balance at 31 December 2020	**3,814**	**2,017**	**5,831**

In EUR thousand	Property, plant and equipment	Investment property	Total
Balance at 1 January 2019	4,179	2,017	6,196
Additions	--	--	0
Disposals	--	--	0
Depreciation	-323	--	-323
Balance at 31 December 2019	**3,856**	**2,017**	**5,873**

In EUR thousand	Property, plant and equipment	Investment property	Total
Balance at 1 January 2018	4,471	2,017	6,488
Additions	--	--	0
Disposals	--	--	0
Depreciation	-292	--	-292
Balance at 31 December 2018	**4,179**	**2,017**	**6,196**

Amounts recognised in profit or loss

In EUR thousand	1.1.2019-31.12.2020	2020	2019	2018
Interest on lease liabilities	158	78	80	80
Expenses relating to short-term leases	177	86	91	89
Expenses relating to leases of low-value assets	14	4	10	10
Balance at 31 December 2019	**349**	**168**	**181**	**179**

Amounts recognised in statement of cash flows

In EUR thousand	1.1.2019-31.12.2020	2020	2019	2018
Total cash outflows for leases	1,041	541	500	590

The remaining performance obligations as at 31 December 2020 are as follows:

In EUR thousand	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Lease payments	390	316	234	227	222	4,259	**5,648**

The remaining performance obligations as at 31 December 2019 are as follows:

In EUR thousand	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Lease payments	500	286	209	195	195	4,391	**5,776**

The remaining performance obligations as at 31 December 2018 are as follows:

In EUR thousand	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Lease payments	500	500	286	209	195	4,506	**6,196**

Leases as lessor

The Group leases out its own investment property. All leases are classified as operating leases from a lessor perspective because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Group during 24-month period ended 31 December 2020 was EUR 549,921 thousand (2018 – EUR 241,960 thousand).

The following table set out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting period.

In EUR thousand	< 1 year	2-5 years	> 5 years	Total
Lease payments	332,572	1,110,822	1,100,221	**2,543,615**

30.Derivative financial instruments

In EUR thousand	2020	2019	2018
Fair value of derivatives - asset	--	740	1,449
Fair value of derivatives - liability	-33,952	-15,951	-16,173
Total	**-33,952**	**-15,211**	**-14,724**
Accrued interest on derivatives	-114	-174	--
Total derivatives	**-34,066**	**-15,385**	**-14,724**

All financial derivatives were stated at fair value as at 31 December 2020, 2019 and 2018 respectively and classified to Level 2 in the fair value hierarchy. For fair value determination, a market comparison technique was used.

As at 31 December 2020 CTP held the following financial instruments:

Derivative financial instruments	**Due within maturity date**	**Receiving leg**	**Paying leg**	**Currency**	**Nominal amount in thousand**	**Fair value 2020 (in EUR thousand)**
Interest rate swaps	2021 - 2026	from 3M Euribor to 6M Euribor	from -0.44% to 0.446%	EUR	1,648,904 EUR	**-33,900**
Foreign exchange swaps	2021	N/A	N/A	CZK/EUR	10,000 EUR	**-52**
Total liabilities from derivatives						**-33,952**

As at 31 December 2019 CTP held the following financial instruments:

Derivative financial instruments	**Due within maturity date**	**Receiving leg**	**Paying leg**	**Currency**	**Nominal amount in thousand**	**Fair value 2019 (in EUR thousand)**
Interest rate swaps	2020 - 2026	3M Euribor	from -0.241% to -0.140%	EUR	112,320 EUR	**420**
Foreign exchange swaps	2020	N/A	N/A	CZK/EUR	25,000 EUR	**320**
Total receivables from derivatives						**740**

Derivative financial instruments	**Due within maturity date**	**Receiving leg**	**Paying leg**	**Currency**	**Nominal amount in thousand**	**Fair value 2019 (in EUR thousand)**
Interest rate swaps	2020 - 2027	3M Euribor	from -0.34% to 0.8%	EUR	2,045,280 EUR	**-15,722**
Interest rate swap	2020 - 2023	0.00%	0.636%	EUR	10,904 EUR	**-229**
Total liabilities from derivatives						**-15,951**

As at 31 December 2018 CTP held the following financial instruments:

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Currency	Nominal amount in thousand	Fair value 2018 (in EUR thousand)
Interest rate swaps	2019 - 2023	1M Euribor / 3M Euribor	from -0.37% to 0 %	EUR	101,625EUR	228
Interest rate swaps	2022 - 2024	3M Pribor	from 0.68% to 1.3%	CZK	955,638 CZK	1,093
Foreign exchange swaps	2019	N/A	N/A	CZK/EUR	59,970 EUR	128
CAP	2019 - 2020	3M Euribor	from 1.5% to 4%	EUR	23,562 EUR	0
Total receivables from derivatives						**1,449**

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Currency	Nominal amount in thousand	Fair value 2018 (in EUR thousand)
Interest rate swaps	2019 - 2027	1M Euribor / 3M Euribor	from -0.252% to 0,8 %	EUR	1,020,617 EUR	**-15 931**
Interest rate swap	2024	3M Pribor	1,000%	CZK	106,631 CZK	**-165**
Foreign exchange swap	2019	n/a	n/a	CZK/EUR	10,000 EUR	**-70**
Cross currency interest rate swap	2019	0,00%	0,00%	EUR/CHF	2,496 EUR/ 2 822 CHF	**-7**
Total liabilities from derivatives						**-16 173**

31.Income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Deferred tax assets and liabilities

The recognised deferred tax assets and liabilities are attributable to the following:

In EUR thousand	2020			2019			2018		
	Assets	Liability	Net	Assets	Liability	Net	Assets	Liability	Net
Investment property	2,841	-502,970	-500,129	3,052	-493,578	-490,526	2,874	-399,244	-396,370
Tax losses	10,321	--	10,321	3,158	--	3,158	2,457	--	2,457
Property, plant and equipment	--	-2,189	-2,189	2,984	--	2,984	2,679	--	2,679
Other (receivables, hedge accounting etc.)	1,640	--	1,640	344	--	344	433	--	433
Tax asset/(liabilities)	**14,802**	**-505,159**	**-490,357**	**9,538**	**-493,578**	**-484,040**	**8,443**	**-399,244**	**-390,801**
Set- off of tax	**-380**	**380**	**0**	**-2,222**	**2,222**	**0**	**-1,667**	**1,667**	**0**
Net tax assets/ (liabilities)	**14,422**	**-504,779**	**-490,357**	**7,316**	**-491,356**	**-484,040**	**6,776**	**-397,577**	**-390,801**

Movement in Deferred tax during the Year recognized in profit and loss, in equity and in OCI

In EUR thousand	Balance as at 1 January 2019	Change in temporary differences	Change through business combination	Deffered tax recognised in OCI	Effect of changes in FX rates	Balance as at 31 December 2020
Investment property	-396,369	-107,535	612	--	3,163	-500,129
Tax losses	2,457	8,300	--	--	-436	10,321
Property, plant and equipment	2,679	-5,395	-944	1,723	-252	-2,189
Other (receivables, hedge accounting etc.)	432	1,288	--	--	-80	1,640
Total	**-390,801**	**-103,342**	**-332**	**1,723**	**2,395**	**-490,357**

In EUR thousand	Balance as at 1 January 2020	Change in temporary differences	Change through business combination	Deffered tax recognised in OCI	Effect of changes in FX rates	Balance as at 31 December 2020
Investment property	-490,526	-14,234	612	--	4,019	-500,129
Tax losses	3,158	7,194	--	--	-31	10,320
Property, plant and equipment	2,984	-6,867	--	1,723	-29	-2,189
Other (receivables, hedge accounting etc.)	344	1,304	--	--	-8	1,640
Total	**-484,040**	**-12,603**	**612**	**1,723**	**3,951**	**-490,357**

In EUR thousand	Balance as at 1 January 2019	Change in temporary differences	Change through business combination	Effect of changes in FX rates	Balance as at 31 December 2019
Investment property	-396,369	-93,301	--	-856	-490,526
Tax losses	2,457	1,106	--	-405	3,158
Property, plant and equipment	2,679	1,472	-944	-223	2,984
Other (receivables, hedge accounting etc.)	432	-16	--	-72	344
Total	**-390,801**	**-90,739**	**-944**	**-1,556**	**-484,040**

In EUR thousand	Balance as at 1 January 2018	Change in temporary differences	Change through business combination	Effect of changes in FX rates	Deferred tax recognised in OCI	Deferred tax in Assets held for sale	Balance as at 31 December 2018
Investment property	-385,414	-42,746	32,735	829	--	-1,773	-396,369
Tax losses	4,877	-2,630	--	210	--	--	2,457
Property, plant and equipment	5,019	-1,529	--	220	-1,031	--	2,679
Other (receivables, hedge accounting etc.)	1,497	-1,135	--	70	--	--	432
Total	**-374,021**	**-48,040**	**32,735**	**1,329**	**-1,031**	**-1,773**	**-390,801**

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

In EUR thousand	2020		2019		2018	
	Gross amount	Tax effect	Gross amount	Tax effect	Gross amount	Tax effect
Tax losses	26,304	4,226	25,094	4,718	14,517	2,599
Total	**26,304**	**4,226**	**25,094**	**4,718**	**14,517**	**2,599**

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

In EUR thousand	2020	Expiry date	2019	Expiry date	2018	Expiry date
Expire	26,304	2021 - 2026	25,094	2020 - 2025	14,517	2019 - 2024
Never expire	--		--		--	
Total	**26,304**		**25,094**		**14,517**	

Amounts recognized in OCI

In EUR thousand	2020			2019			2018		
Items that will not be reclassified to profit or loss	Gross amount	Tax effect	Net of tax	Gross amount	Tax effect	Net of tax	Gross amount	Tax effect	Net of tax
Revaluation of PPE	-9,070	1,723	-7,347	4,969	-944	4,025	5,428	-1,031	4,397
Items that are or may be reclassiefied to profit or loss									
Change in Translation reserve	10,413	-1,940	8,473	2,013	-321	1,692	640	-102	538

Current income tax assets and payables

The current income tax asset of EUR 2,692 thousand (2019 – EUR 5,348 thousand; 2018 – EUR 6,738 thousand) represents the amount of income tax recoverable in respect of current and prior periods, i.e. the amount by which the advance payments made exceed income tax payable if any.

The current income tax liabilities of EUR 19,463 thousand (2019 – EUR 6,648 thousand; 2018 – EUR 3,292 thousand) represents payable in respect of current or prior periods, i.e., the amount by which the income tax payable exceeds advance payments made.

32.Subsidiaries

The Company had the following investments in subsidiaries as at 31 December 2020, 2019 and 31 December 2018 respectively:

Subsidiaries	Country	Ownership 2020	2019	2018	Note
CTP Beta GmbH (formerly CTP Immobilienverwaltung GmbH)	Austria	100%	100%	100%	
CTP Alpha GmbH	Austria	100%	0%	0%	3/
CTP Delta GmbH	Austria	100%	0%	0%	3/
CTP Epsilon GmbH	Austria	100%	0%	0%	3/
CTP Gamma GmbH	Austria	100%	0%	0%	3/
CTP Invest Immobilien GmbH GmbH	Austria	100%	0%	0%	3/
CTP Zeta GmbH	Austria	100%	0%	0%	3/
CTP Invest EOOD (formely CTPark Alpha, EOOD)	Bulgaria	100%	100%	100%	
CTPark Beta EOOD	Bulgaria	100%	100%	0%	
CTPark Delta EOOD	Bulgaria	100%	100%	0%	
CTPark Epsilon EOOD	Bulgaria	100%	0%	0%	3/
CTPark Gamma EOOD	Bulgaria	100%	100%	0%	
CTPark Zeta EOOD	Bulgaria	100%	0%	0%	3/
CTP Invest, spol. s r.o.	Czech Republic	100%	100%	100%	
Bohemia Pilz s.r.o.	Czech Republic	0%	100%	100%	1/
Clubco, spol. s r.o. (formerly CTP Invest XXVII, spol. s.r.o.)	Czech Republic	100%	100%	0%	
COPOK s.r.o.	Czech Republic	0%	100%	100%	1/
CTFinance s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Alpha, spol. s.r.o. (formerly CTP Property XXII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Barrandov, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Beta, spol. s r.o. v likvidaci (formerly CTP Property Czech, S. a r.l.)	Czech Republic	100%	100%	100%	
CTP Bohemia North, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Bohemia South, spol. s.r.o. (formerly CTP Property XI, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Bohemia West, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Borská Pole, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTP Brno I, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Brno II, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Brno III, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Brno IV, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Brno V, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP CEE Properties, spol. s.r.o. (formerly CTP Property Lux S.á.r.l.)	Czech Republic	100%	100%	100%	
CTP CEE Sub Holding, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTP Divišov I, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Domeq Brno, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Finance, spol. s r.o. v likvidaci	Czech Republic	100%	100%	100%	
CTP Forest, spol. s r.o. (formerly CTP Invest XXVI, spol. s.r.o.)	Czech Republic	100%	100%	0%	
CTP Hotel Operations Brno, spol. s r.o.	Czech Republic	100%	100%	100%	
CTP Hotel Operations Pilsen, spol. s.r.o.	Czech Republic	100%	100%	100%	
CTP Hotel operations Prague, spol. s.r.o. (formerly Hotel Operations EUROPORT s.r.o.)	Czech Republic	100%	100%	100%	
CTP Hotel Pilsen, spol. s.r.o. (formerly 2P , s.r.o.)	Czech Republic	100%	100%	100%	
CTP Hotel Prague, spol. s r.o.	Czech Republic	100%	100%	100%	
CTP I, spol. s r.o. v likvidaci (formerly Mavo Lux S.à r.l.)	Czech Republic	100%	100%	100%	6/
CTP II, spol. s r.o. (formerly CTP Property XXIII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP III, spol. s r.o. (formerly CTP Property XXVI, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Industrial Property CZ, spol. s.r.o.	Czech Republic	100%	100%	100%	
CTP Infrastructure, spol. s r.o. v likvidaci	Czech Republic	100%	100%	100%	
CTP Invest IX, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Invest X, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Invest XII, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Invest XVI, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Invest XVII, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Invest XXX, spol. s.r.o.	Czech Republic	0%	100%	0%	1/
CTP IQ Ostrava, spol. s r.o.	Czech Republic	100%	100%	100%	
CTP IV, spol. s r.o. (formerly CTP Property XXVII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Karviná, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Louny, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Moravia North, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Moravia South, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTP Omega, spol. s.r.o. v likvidaci	Czech Republic	100%	100%	100%	
CTP Pilsen Region, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Pohořelice I, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Ponávka Business Park, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP Portfolio Finance CZ, spol. s.r.o.	Czech Republic	100%	100%	100%	
CTP Products I, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property Bulgaria, spol. s.r.o. v likvidaci	Czech Republic	100%	100%	0%	
CTP Property Czech, spol. s.r.o.	Czech Republic	100%	100%	100%	
CTP Property II, a.s.	Czech Republic	0%	100%	100%	1/
CTP Property III, a.s., v likvidaci	Czech Republic	0%	100%	100%	1/

Subsidiaries	Country	2020	Ownership 2019	2018	Note
CTP Property IV s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property IX, a.s.	Czech Republic	0%	100%	100%	1/
CTP Property Romania, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTP Property Serbia, spol. s.r.o. v likvidaci	Czech Republic	100%	100%	0%	
CTP Property V, a.s.	Czech Republic	0%	100%	100%	1/
CTP Property XIV, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property XIX, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property XVI, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property XVIII, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property XX, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property XXI, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Property XXX, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTP Solar I, a.s. (formerly CTP Property, a.s.)	Czech Republic	100%	100%	100%	
CTP Solar II, a.s. (formerly CTP Property VIII, a.s.)	Czech Republic	100%	100%	100%	
CTP Solar III, spol. s.r.o. (formerly CTP Invest VIII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Solar, a.s. v likvidaci	Czech Republic	100%	100%	100%	6/
CTP V, spol. s r.o. (formerly CTP Property XXVIII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP VI, spol. s r.o. (formerly CTP Property XXIX, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP VII, spol. s r.o. (formerly CTP Property XXXI, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP VIII, spol. s r.o. (formerly CTP Property XXXII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Vlněna Business Park, spol. s.r.o. (formerly CTP Property XVII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP Vysočina, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTP X, spol. s r.o. (formerly CTp invest 1, spol. s r.o.)	Czech Republic	100%	100%	100%	
CTP XI, spol. s r.o.	Czech Republic	100%	100%	100%	
CTP XII, spol. s r.o.	Czech Republic	100%	100%	100%	
CTP XIII, spol. s r.o. (formerly CTP Invest XIV, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP XIV, spol. s r.o. (formerly CTP Invest XV, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP XIX, spol. s r.o. (formerly CTP Invest XXV, spol. s.r.o.)	Czech Republic	100%	100%	0%	
CTP XV, spol. s r.o. (formerly CTP Invest XVIII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP XVI, spol. s r.o. (formerly CTP Invest XXI, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP XVII, spol. s r.o. (formerly CTP Invest XXII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP XVIII, spol. s r.o. (formerly CTP Invest XXIII, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTP XXI, spol. s r.o. (formerly CTP Invest XXVIII, spol. s.r.o.)	Czech Republic	100%	100%	0%	
CTP XXII, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP XXIII, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP XXIV, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTP, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTPark Bor, spol. s.r.o.	Czech Republic	100%	0%	0%	1/
CTPark Bor, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTPark Brno Campus s.r.o.	Czech Republic	0%	100%	100%	1/
CTPark Brno I, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTPark Brno II, spol. s.r.o. (formerly CTP Property X, spol. s.r.o.	Czech Republic	100%	100%	100%	
CTPark Brno III, spol. s.r.o. (formerly Bor Logistics, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTPark Brno Líšeň East, spol. s r.o. (formerly CTP Invest XX, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTPark Brno Líšeň II, spol. s r.o. (formerly CTP Invest XXIV, spol. s.r.o.)	Czech Republic	100%	100%	0%	
CTPark Brno Líšeň West, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTPark Brno Retail, spol. s.r.o.(formerly Brno Retail, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTPark České Budějovice II, spol. s r.o.	Czech Republic	100%	100%	100%	
CTPark České Budějovice, spol. s r.o. (formerly Kaufpark a.s.)	Czech Republic	100%	100%	100%	
CTPark České Velenice, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTPark Hranice, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTPark Lysá nad Labem, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTPark Mladá Boleslav II, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTPark Mladá Boleslav, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTPark Modřice, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTPark Ostrava Poruba, spol. s r.o.	Czech Republic	100%	0%	0%	1/
CTPark Ostrava, spol. s.r.o.	Czech Republic	100%	100%	0%	
CTPark Plzeň, spol. s r.o. (formerly CTP Invest XIX, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTPark Prague Airport. spol. s.r.o.	Czech Republic	100%	100%	100%	
CTPark Prague East, spol. s.r.o.	Czech Republic	100%	0%	0%	1/
CTPark Prague East, spol. s.r.o.	Czech Republic	0%	100%	100%	1/
CTPark Prague North II, spol. s.r.o.	Czech Republic	100%	100%	100%	
CTPark Prague North III, a.s. (formerly DUNSTAR a.s.)	Czech Republic	100%	100%	100%	
CTPark Prague West, spol. s.r.o. (formerly CTP Invest XI, spol. s.r.o.)	Czech Republic	100%	100%	100%	
CTPark Stříbro, spol. s.r.o. (formerly Waystone CZ s.r.o.)	Czech Republic	100%	100%	100%	
CTPersonnel Bor, spol. s.r.o. v likvidaci	Czech Republic	100%	100%	100%	
CTZone Ostrava, spol. s r.o.	Czech Republic	100%	100%	100%	
Development OVA West, a.s.	Czech Republic	0%	100%	0%	1/

Subsidiaries	Country	2020	Ownership 2019	2018	Note
EP Kadan s.r.o.	Czech Republic	0%	100%	100%	1/
EP Karvina s.r.o.	Czech Republic	0%	100%	100%	1/
KOMERČNÍ ZÓNA NUPAKY, s.r.o.	Czech Republic	0%	100%	100%	1/
LORNOKA REAL ESTATE, s.r.o.	Czech Republic	0%	100%	100%	1/
Multidisplay s.r.o.	Czech Republic	100%	100%	100%	
Spielberk Business Park II, spol. s.r.o. (formerly CTP INVEST V, spol. s.r.o.)	Czech Republic	100%	100%	100%	
Spielberk Business Park, spol. s.r.o. (formerly Spielberk Office Center, spol. s.r.o.)	Czech Republic	100%	100%	100%	
Valkenburg s.r.o.	Czech Republic	100%	0%	0%	2/
CTP Germany GmbH	Germany	100%	100%	100%	
CTP Germany II GmbH	Germany	100%	100%	100%	6/
CTP Germany III GmbH	Germany	100%	100%	100%	6/
CTP Germany IV GmbH & Co. KG	Germany	100%	100%	100%	6/
CTP Germany V GmbH	Germany	100%	100%	100%	
CTP Germany VI GmbH	Germany	100%	100%	100%	
CTP Invest Hungary Kft.	Hungary	100%	100%	100%	
CTP Management Hungary Kft.	Hungary	100%	100%	100%	
CTPark Alpha Kft.	Hungary	100%	100%	100%	
CTPark Arrabona Kft.	Hungary	100%	100%	100%	
CTPark Beta Kft.	Hungary	100%	100%	100%	
CTPark Biatorbágy Kft.	Hungary	100%	100%	100%	
CTPark Delta Kft.	Hungary	100%	100%	100%	
CTPark Eight Kft.	Hungary	100%	100%	100%	
CTPark Eleven Kft.	Hungary	100%	100%	0%	
CTPark Gamma Kft.	Hungary	100%	100%	100%	
CTPark Nine Kft.	Hungary	100%	100%	100%	
CTPark Seven Kft.	Hungary	100%	100%	100%	
CTPark Ten Kft.	Hungary	100%	100%	100%	
CTPark Twelve Kft.	Hungary	100%	100%	0%	
Samesova SIA	Latvia	100%	0%	0%	5/
Vojtova SIA	Latvia	100%	0%	0%	5/
Zemankova SIA	Latvia	100%	0%	0%	5/
UAB Samesova	Lithuania	100%	0%	0%	5/
UAB Vojtova	Lithuania	100%	0%	0%	5/
UAB Zemankova	Lithuania	100%	0%	0%	5/
CTP Alpha S.R.L.	Moldova	100%	100%	100%	6/
CTP Invest S.R.L.	Moldova	100%	100%	100%	6/
CTP Property B.V (formerly CTP Invest B.V.)	Netherland	100%	100%	100%	
CTP Baltic Holding B.V.	Netherland	100%	0%	0%	3/
CTP Mediterranean Holding B.V.	Netherland	100%	0%	0%	5/
CTP Portfolio Finance Czech B.V.	Netherland	100%	0%	0%	3/
CTP Turkish Holding B.V.	Netherland	100%	0%	0%	5/
Multifin B.V.	Netherland	100%	100%	100%	
CTP Beta poland Sp. z o.o.	Poland	100%	100%	0%	
CTP Delta Poland Sp. Z o. o.	Poland	100%	100%	0%	
CTP Epsilon Poland Sp. z o.o.	Poland	100%	0%	0%	3/
CTP Eta Poland Sp. z o.o. (formerly GreenPark Resi I Sp. z o.o.)	Poland	100%	100%	100%	
CTP Gamma Poland Sp. Z o. o.	Poland	100%	100%	0%	
CTP Invest Poland Sp. z o.o.	Poland	100%	100%	100%	
CTP Theta Poland Sp. z o.o. (formerly GreenPark Resi II Sp. z o.o.)	Poland	100%	100%	100%	
CTP Zeta Poland Sp. z o.o.	Poland	100%	0%	0%	3/
CTPark Iłowa Sp. z o.o.	Poland	100%	100%	100%	
CTPark Opole Sp. z o.o. (formerly CTP Alpha Poland Sp. Z.o.o.)	Poland	100%	100%	100%	
CTPark Zabrze Sp. z o.o.	Poland	100%	100%	0%	
CTP CONTRACTORS SRL	Romania	100%	100%	100%	
CTP INVEST BUCHAREST SRL	Romania	100%	100%	100%	
CTPARK ALPHA SRL	Romania	100%	100%	100%	
CTPARK BETA SRL	Romania	100%	100%	100%	
CTPark Bucharest A1 SRL	Romania	100%	100%	0%	
CTPARK BUCHAREST II SRL (formerly CENTURA PROPERTY HOLDINGS S.A.)	Romania	100%	100%	100%	
CTPARK BUCHAREST SRL	Romania	100%	100%	100%	
CTPARK BUCHAREST UPSILON SRL	Romania	100%	0%	0%	2/
CTPARK BUCHAREST WEST I SRL	Romania	100%	100%	100%	
CTPARK BUCHAREST WEST II SRL (formerly H.E.E. (MERCURY) PROPRIETATI SRL)	Romania	100%	100%	100%	
CTPARK DELTA SRL	Romania	100%	100%	100%	
CTPARK DEVA II SRL (formerly DEVA LOGISTIC CENTER S.A.)	Romania	100%	100%	100%	
CTPARK EPSILON SRL	Romania	100%	100%	100%	
CTPARK ETA SRL	Romania	100%	100%	100%	
CTPARK GAMMA SRL	Romania	100%	100%	100%	

Subsidiaries	Country	Ownership 2020	2019	2018	Note
CTPARK IOTA SRL	Romania	100%	100%	100%	
CTPARK KAPPA SRL	Romania	100%	100%	100%	
CTPARK KM23 NORTH SRL	Romania	100%	100%	100%	
CTPARK KM23 SOUTH SRL	Romania	100%	100%	100%	
CTPARK KM23 WEST SRL	Romania	100%	100%	100%	
CTPARK LAMBDA SRL	Romania	100%	100%	100%	
CTPARK MANAGEMENT AFUMATI SRL	Romania	100%	0%	0%	3/
CTPARK MANAGEMENT TURDA SRL	Romania	100%	0%	0%	3/
CTPARK MIU SRL	Romania	100%	100%	100%	
CTPARK OMEGA SRL	Romania	100%	100%	100%	
CTPARK OMICRON SRL	Romania	100%	100%	100%	
CTPARK PHI SRL	Romania	100%	100%	100%	
CTPARK PSI SRL	Romania	100%	100%	100%	
CTPARK RHO SRL	Romania	100%	100%	100%	
CTPARK SIGMA SRL	Romania	100%	100%	100%	
CTPARK TAU SRL	Romania	100%	100%	100%	
CTPARK THETA SRL	Romania	100%	100%	100%	
CTPARK ZETA SRL	Romania	100%	100%	100%	
Universal Management SRL	Romania	75%	75%	75%	
CTP Epsilon doo Beograd-Novi Beograd	Serbia	100%	100%	0%	
CTP Alpha doo Beograd-Novi Beograd	Serbia	100%	100%	100%	
CTP Beta doo Beograd-Novi Beograd	Serbia	100%	100%	100%	
CTP Delta doo Beograd-Novi Beograd	Serbia	100%	100%	100%	
CTP Gamma doo Beograd-Novi Beograd	Serbia	100%	100%	100%	
CTP Invest doo Beograd-Novi Beograd	Serbia	100%	100%	100%	
CTP Iota doo Beograd-Novi Beograd	Serbia	100%	100%	0%	
CTP Kappa doo Beograd-Novi Beograd	Serbia	100%	100%	0%	
CTP Lambda doo Beograd (formerly Expo Site doo Beograd)	Serbia	100%	100%	0%	
CTP Omicron doo Beograd-Novi Beograd	Serbia	100%	0%	0%	3/
CTP Phi doo Beograd-Novi Beograd	Serbia	100%	0%	0%	3/
CTP Rho doo Beograd-Novi Beograd	Serbia	100%	0%	0%	3/
CTP Sigma doo Beograd-Novi Beograd	Serbia	100%	0%	0%	3/
CTP Tau doo Beograd-Novi Beograd	Serbia	100%	0%	0%	3/
CTP Zeta doo Beograd-Novi Beograd	Serbia	100%	100%	0%	
LogMaxx Beta, d.o.o.	Serbia	100%	0%	0%	2/
CTP Alpha SK, spol. s.r.o.	Slovakia	100%	100%	90%	
CTP Dunaj s.r.o. (formerly ATH Slovakia, s.r.o.)	Slovakia	100%	100%	0%	
CTP Gama s. r. o. (formerly AZQ Slovakia s.r.o.)	Slovakia	100%	100%	0%	
CTP Invest SK, spol. s.r.o.	Slovakia	90%	90%	90%	
CTP Slovakia, s.r.o.	Slovakia	100%	100%	100%	
CTPark Bratislava, spol. s.r.o.	Slovakia	100%	100%	100%	
CTPark Čierny Les, spol. s r.o. (formerly CTPark Žilina, spol. s.r.o.)	Slovakia	100%	100%	100%	
CTPark Hlohovec, spol. s r.o. (formerly CTPark Nitra, s.r.o.)	Slovakia	100%	100%	100%	
CTPark Košice, spol. s.r.o.	Slovakia	100%	100%	100%	
CTPark Krásno nad Kysucou, spol. s r.o. (formerly CTP Beta SK, spol. s.r.o.)	Slovakia	100%	100%	90%	
CTPark Nitra, s.r.o. (formerly Nitra Park II, s.r.o.)	Slovakia	100%	100%	100%	
CTPark Nove Mesto, spol. s.r.o.	Slovakia	100%	100%	100%	
CTPark Prešov s.r.o. (formerly ABL Slovakia s.r.o.)	Slovakia	100%	100%	0%	
CTPark Trnava II, spol. s r.o. (formerly CTP Land SK, spol. s.r.o.)	Slovakia	100%	100%	0%	
CTPark Žilina Airport II, spol. s r.o.	Slovakia	100%	0%	0%	3/
CTPark Žilina Airport, spol. s r.o.	Slovakia	100%	0%	0%	3/
CTP Ljubljana, d.o.o.	Slovenia	100%	100%	100%	
CTPark Alpha, d.o.o.	Slovenia	100%	100%	100%	
Global Guanaco, S.L.U.	Spain	100%	0%	0%	5/
CTP ALPHA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	Turkey	100%	0%	0%	5/
CTP BETA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	Turkey	100%	0%	0%	5/
CTPark Lviv LLC	Ukraine	0%	100%	100%	4/
CTPark Ukraine LLC	Ukraine	0%	100%	100%	4/
IQ Lviv LLC	Ukraine	0%	100%	100%	4/

1/ Newly established or ceded subsidiaries through restructuring in 2020 (refer to Note 6)
2/ Newly acquired subsidiaries in 2020
3/ Newly established subsidiaries in 2020
4/ Disposed subsidiaries in 2020
5/ Newly established subsidiaries in 2020 not consolidated due to its limited size/activities
6/ Not consolidated subsidiaries

33. Related parties

CTP has a related party relationship with its directors and executive officers and other companies which equity holder is Multivest B.V. This entity is the ultimate parent of CTP.

In 2020, 2019 and 2018 CTP had the following interest income and interest expense with related parties:

In EUR thousand	1.1.2019 - 31.12.2020 Revenues	Expenses	2020 Revenues	Expenses	2019 Revenues	Expenses	2018 Revenues	Expenses
Multivest B.V.	--	-4,419	--	-1,941	--	-2,478	--	-1,948
CTP Holding B.V.	183	-1093	183	-165	--	-928	--	-27
CTP Energy TR, a.s.	70	--	--	--	70	--	--	-3
CTP Germany II GmbH	197	--	197	--	--	--	--	--
CTP Germany III GmbH	35	--	35	--	--	--	--	--
Finspel B.V. - interest (part of group until 28.06.2019)	--	--	--	--	--	--	628	--
CTP I, spol. s r.o.	10	--	--	--	10	--	8	--
CTP Solar, a.s.	--	-6	--	-2	--	-4	--	-4
Total	**495**	**-5,518**	**415**	**-2,108**	**80**	**-3,410**	**636**	**-1,982**

As at 31 December 2020, 2019 and 2018, CTP has the following short-term receivables/payables from/to related parties:

In EUR thousand	2020 Receivables	Payables	2019 Receivables	Payables	2018 Receivables	Payables
CTP Holding B.V.	13	-2,627	13	-60,005	90	-131
CTP I, spol. s. r.o.	30	--	25	--	--	--
Multifin B.V. (in group from 31.12.2019)	--	--	--	--	199	--
Multivest B.V.	--	--	104	--	--	--
Other	2	--	1	--	21	-50
Total	**45**	**-2,627**	**143**	**-60,005**	**310**	**-181**

As at 31 December 2020, 2019 and 2018, CTP has the following long-term receivables/payables from/to related parties:

In EUR thousand	2020 Receivables	Payables	2019 Receivables	Payables	2018 Receivables	Payables
CTP Energy TR, a.s.	--	--	--	--	--	-74
CTP Germany II GmbH	7,924	--	7,037	--	--	--
CTP Germany III GmbH	314	--	279	--	--	--
CTP Germany IV GmbH	--	-15	--	--	--	--
CTP Holding B.V.	33,804	-3	46,938	-31	6,657	-928,815
CTP Solar, a.s.	4	-163	2	-78	4	-104
CTP I, spol. s r.o.	--	--	--	--	345	--
Multifin B.V.	--	--	--	--	8,461	--
Multivest B.V.	--	-34,363	--	-40,972	--	-38,190
Other	--	--	1	--	--	-16
Total	**42,046**	**-34,544**	**54,257**	**-41,081**	**15,467**	**-967,199**

Other non-current non-trade receivables from and non-trade liabilities to related parties are interest bearing and bear an arm's length interest in a range of 2.3% - 5% depending on the maturity, collateralization, subordination, country risk and other specifics.

Executive management

The average number of executives and remuneration paid for the period ended 31 December 2020, 2019 and 2018 respectively were as follows:

In EUR thousand	1.2019 - 31.12.2020	2020	2019	2018
Number of executives	26	26	18	18
Personnel expenses	8,600	5,358	3,242	2,930

Personnel expenses of executive management include only short-term employee benefits.

34. Risk policies

Exposure to various risks arises in the normal course of CTP's business. These risks include credit risk, capital risk, operational risk, market risk including foreign currency risk, interest rate and liquidity risk.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to CTP. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed for all customers requiring credit over a certain amount. CTP usually does not require collateral from its tenants. For most of the tenants, a parent company guarantee or a solvent tenant group company guarantee is in place.

Investments can be made only in liquid securities and only with counterparties that have a credit rating equal to or better than CTP. Given their high credit ratings, the management does not expect any counterparty to fail to meet its obligations.

As at the reporting date there were no significant concentrations of credit risk towards third parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. CTP has bank accounts with prestigious banking institutions, where no risk is expected. CTP monitors regularly the financial position of the related parties and the related credit risk.

Credit risk concentration:

In EUR thousand	2020	2019	2018
Amounts due from banks	428,729	75,180	69,518
Amounts due from financial derivatives	--	740	1,449
Amounts due from related parties	42,091	54,400	15,777
Amounts due from third parties	24,491	39,616	31,338
Amounts due from tax institutions	13,817	25,253	23,864
Total	**509,128**	**195,189**	**141,946**

Amounts due from banks includes cash and cash equivalents including restricted cash reported under non-current Trade and other receivables as per 31 December of the respective year.

CTP discloses significant amounts of receivables towards related parties. Receivables towards related parties are partly covered by the liabilities to related parties and assets held by the related parties. If the related parties breach the repayment of CTP receivables and CTP is not able to set off receivables against liabilities, CTP will be exposed to significant credit risk. CTP does not expect breach of repayment.

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Impairment losses on financial assets and contract assets recognised in profit or loss were as follows:

In EUR thousand	2020	2019	2018
Impairment to cash and cash equivalent	--	--	--
Impairment to trade receivables	3,257	4,114	3,718
Impairment to receivables to related parties	--	--	--
Total	**3,257**	**4,114**	**3,718**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

In EUR thousand	2020	2019	2018
Balance as at 1 January	4,114	3,718	4,801
Amounts written off	--	--	--
Amounts derecognised due to discontinued operations	--	--	--
Net remeasurement of loss allowance	-857	396	-1,083
Total	**3,257**	**4,114**	**3,718**

The following table provides information about the exposure to credit risk and ECLs for financial assets as at 31 December 2020, 2019 and 2018 respectively:

In EUR thousand for the year 2020	*Stage*	Weighted average loss rate	Gross amount	Impairment loss allowance	Net amount
Cash and cash equivalents	Low risk	0%	419,141	--	419,141
Restricted cash	Low risk	0%	9,588	--	9,588
Receivables due from related parties	Low risk	0%	42,091	--	42,091
Trade receivables *	Low to Fair risk	12%	27,748	-3,257	24,491
Total			**498,568**	**-3,257**	**495,311**

In EUR thousand for the year 2019	Stage	Weighted average loss rate	Gross amount	Impairment los allowance	Net amount
Cash and cash equivalents	Low risk	0%	63,821	--	63,821
Restricted cash	Low risk	0%	11,359	--	11,359
Receivables due from related parties	Low risk	0%	54,400	--	54,400
Trade receivables *	Low to Fair risk	9%	43,730	-4,114	39,616
Total			**173,310**	**-4,114**	**169,196**

In EUR thousand for the year 2018	Stage	Weighted average loss rate	Gross amount	Impairment los allowance	Net amount
Cash and cash equivalents	Low risk	0%	46,284	--	46,284
Restricted cash	Low risk	0%	23,234	--	23,234
Receivables due from related parties	Low risk	0%	15,777	--	15,777
Trade receivables *	Low to Fair risk	11%	35,056	-3,718	31,338
Total			**120,351**	**-3,718**	**116,633**

* Weighted average loss rate related to Trade receivables is calculated in Note 21.

Capital risk

CTP's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. CTP manages its capital to ensure that entities in CTP will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. CTP's overall strategy remains unchanged compared to 2019.

CTP as property investor is mainly influenced by the fact that it leverages its project financing by using bank debts or bonds. There is no real seasonality impact on its financial position but rather the volatility of financial markets that might positively or negatively influence CTP's financial position.

The capital structure of CTP consists of a debt, which includes the borrowings disclosed in Note 26.

The Group has secured bank loans that contain loan covenants. Under the agreements, the covenants are monitored on a regular basis to ensure compliance with these agreements.

Net gearing ratio:

Gearing ratio calculated below compares debt to equity where a debt is defined to be the sum of long-term and short-term liabilities and equity includes all capital and reserves of the Group excluding non-controlling interests.

In EUR thousand	2020	2019	2018
Debt	4,182,128	3,483,148	3,676,649
Equity	2,263,202	2,042,223	960,072
Gearing ratio	**185%**	**171%**	**383%**

The Net loan to value (value is the fair value of the properties) ratio of CTP properties (calculated as a share of interest-bearing loans from financial institutions and bonds issued adjusted for cash and cash equivalents available as per 31 December of the respective year on investment property, investment property under construction and plant and equipment) is approximately 51% at 31 December 2020 (2019 – 50%; 2018 – 47%) that is seen as appropriate within the financial markets where CTP is operating.

As the properties are leased for a long period and CTP agreed with its financial institutions long-term financing, CTP expects to fulfill financial covenants in the future.

Operational risk

Operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss from external events. CTP assesses these risks on a regular basis and undertakes measures aimed at systematic detection and minimizations of these risks. During 2020, operational risk management activities concentrated on improving the management information systems containing information about individual projects and related legal documentation.

With respect to areas with an identified significant risk, CTP operates a set of key risk indicators that serve as an early-warning system and as a measurement of operational risks taken.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect CTP's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing the return.

Foreign currency risk

Currency risk is managed mainly by making, when possible, investments in the same currency as the financing sources utilized. The currency risk during the period of repayment of liabilities to third parties is usually offset by generating revenues denominated in the same underlying currency. CTP pays for construction of buildings in local currency and therefore has foreign currency risk during the construction period. CTP uses derivative financial instruments (FX forwards) to hedge against the exposure to foreign currency risk arising on forecast transactions.

As at 31 December 2020 CTP analyzed the impact of the foreign exchange rate variances on its assets and liabilities and on its statement of comprehensive income. The impact would not be significant as a majority of financial instruments is denominated in EUR.

Foreign currency exchange risk is limited and arises from recognised monetary assets and liabilities. Below we disclose the currency risk based on the functional currency (EUR) of the operating subsidiaries of the Group.

In EUR thousand	2020 CZK	RON	PLN	HUF	Total
Trade and other receivables	12,605	21,163	478	2,704	**36,950**
Cash and cash equivalents	5,823	9,933	1,144	1,414	**18,314**
Total financial assets	**18,428**	**31,096**	**1,622**	**4,118**	**55,264**
Financial derivatives	-52	--	--	--	**-52**
Interest-bearing loans and borrowings incl. loans from related parties	--	-1,623	--	--	**-1,623**
Trade and other payables	-95,724	-27,183	-217	-6,907	**-130,031**
Total financial liabilities	**-95,776**	**-28,806**	**-217**	**-6,907**	**-131,706**
Net position	**-77,348**	**2,290**	**1,405**	**-2,789**	**-76,442**
FX hedge	**10,000**	--	--	--	**10,000**
Net position after FX hedge	**-67,348**	**2,290**	**1,405**	**-2,789**	**-66,442**

In EUR thousand	2019 CZK	RON	PLN	HUF	Total
Trade and other receivables	18,797	24,036	1,604	5,958	**50,395**
Cash and cash equivalents	6,129	9,423	1,543	1,801	**18,896**
Total financial assets	**24,926**	**33,459**	**3,147**	**7,759**	**69,291**
Interest-bearing loans and borrowings incl. loans from related parties	-17,316	-2,030	--	--	**-19,346**
Trade and other payables	-109,192	-15,952	-326	-4,368	**-129,838**
Total financial liabilities	**-126,508**	**-17,982**	**-326**	**-4,368**	**-149,184**
Net position	**-101,582**	**15,477**	**2,821**	**3,391**	**-79,893**
FX hedge	**25,000**	--	--	--	**25,000**
Net position after FX hedge	**-76,582**	**15,477**	**2,821**	**3,391**	**-54,893**

In EUR thousand	2018 CZK	RON	PLN	HUF	Total
Loans provided to related parties	768	--	--	--	**768**
Trade and other receivables	34,220	54,768	7,453	6,575	**103,016**
Cash and cash equivalents	8,301	8,458	1,410	1,225	**19,394**
Total financial assets	**43,289**	**63,226**	**8,863**	**7,800**	**123,178**
Interest-bearing loans and borrowings incl. loans from related parties	-69,503	-2,211	-85	--	**-71,799**
Trade and other payables	-91,173	-68,590	-1,294	-875	**-161,932**
Total financial liabilities	**-160,676**	**-70,801**	**-1,379**	**-875**	**-233,731**
Net position	**-117,387**	**-7,575**	**7,484**	**6,925**	**-110,553**
FX hedge	**69,970**	--	--	--	**69,970**
Net position after FX hedge	**-47,417**	**-7,575**	**7,484**	**6,925**	**-40,583**

Sensitivity analysis

A strengthening / (weakening) of EUR, as indicated below, against other currencies at the reporting date would have increased / (decreased) the equity by the amounts shown in the following table. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably likely at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	2020	2019	2018
Net position on financial assets and liabilities denominated in EUR	**-66,442**	**-54,893**	**-40,583**
Effect on profit or loss and on equity of:			
CZK weakening by 5%	-3,367	-3,829	-2,371
CZK strengthening by 5%	3,367	3,829	2,371
RON weakening by 5%	115	774	-379
RON strengthening by 5%	-115	-774	379

Interest rate risk

The interest rate risk arises mainly from the floating interest rates applicable to debt financing. Bank loans usually have flexible interest rates based on EURIBOR or PRIBOR rates for the reference period from 1 months to 6 months increased by a fixed margin. In 2020, 2019 and 2018, CTP entered into transactions with the financial institutions to hedge the interest rate risk (refer to Note 30). CTP mitigated the interest rate risk by holding interest rate swaps in 2020 and 2019. In 2018, CTP Group had in addition to interest rate swaps also interest rate caps.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Fixed-rate instruments	**2020**	**2019**	**2018**
Receivables due from related parties	42,091	54,400	15,777
Loans owed to related parties	-37,171	-101,086	-967,380
Bonds issued	-1,041,971	--	--
Bank loans with fixed interest rate	-401,647	--	--
Bank loans covered by IRS	-1,648,904	-2,168,504	-1,393,730

Variable- rate instruments	**2020**	**2019**	**2018**
Loans not covered by IRS	-315,344	-526,682	-737,612

Sensitivity analysis

A reasonably possible change of 0.25% in the interest rates at the reporting date would have increased (decreased) profit by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

1.1.2019 - 31.12.2020 — **Interest rate sensitivity analysis of bank loans and borrowings**

In EUR thousand	Bank loans	Covered by interest rate swaps and fixed rate	% hedge	Loans with variable interest	Effect on result in case of interest rate increase by 25bp	Effect on result in case of interest rate decrease by 25bp
Interest-bearing loans and borrowings	2,365,895	2,050,551	86.7%	315,344	**-2,105**	**2,105**
Total	**2,365,895**	**2,050,551**	**86.7%**	**315,344**	**-2,105**	**2,105**

1.1.2020 - 31.12.2020 — **Interest rate sensitivity analysis of bank loans and borrowings**

In EUR thousand	Bank loans	Covered by interest rate swaps and fixed rate	% hedge	Loans with variable interest	Effect on result in case of interest rate increase by 25bp	Effect on result in case of interest rate decrease by 25bp
Interest-bearing loans and borrowings	2,365,895	2,050,551	86.7%	315,344	**-788**	**788**
Total	**2,365,895**	**2,050,551**	**86.7%**	**315,344**	**-788**	**788**

1.1.2019 - 31.12.2019 — **Interest rate sensitivity analysis of bank loans and borrowings**

In EUR thousand	Bank loans	Covered by interest rate swaps	% hedge	Loans with variable interest	Effect on result in case of interest rate increase by 25bp	Effect on result in case of interest rate decrease by 25bp
Interest-bearing loans and borrowings	2,695,185	2,168,504	80.5%	526,681	**-1,317**	**1,317**
Total	**2,695,185**	**2,168,504**	**80.5%**	**526,681**	**-1,317**	**1,317**

1.1.2018 - 31.12.2018 — **Interest rate sensitivity analysis of bank loans and borrowings**

In EUR thousand	Bank loans	Covered by interest rate swaps	% hedge	Loans with variable interest	Effect on result in case of interest rate increase by 25bp	Effect on result in case of interest rate decrease by 25bp
Interest-bearing loans and borrowings	**2,131,342**	**1,393,730**	65.4%	**737,612**	-1,844	1,844
Total	**2,131,342**	**1,393,730**	**65.4%**	**737,612**	**-1,844**	**1,844**

Liquidity risk

Liquidity risk is the risk that CTP will not be able to meet its financial obligations as they fall due. With respect to the nature of its business and its assets, CTP is naturally exposed to a certain amount of liquidity risk. CTP manages liquidity risk by constantly monitoring forecast and actual cash flow, financing its investment property portfolio by long-term financing, and refinancing where appropriate, and to use the rent income to settle the short-term liabilities.

The table set out below shows liabilities at 31 December 2020, 31 December 2019 and 31 December 2018 by their remaining contractual maturity. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

2020	Contractual cash flows				
In EUR thousand	Until 3 months	3 - 12 Months	Between 1 - 5 years	Over 5 year	Total
Interest-bearing loans and borrowings	21,216	119,254	673,188	1,775,341	**2,588,999**
Bonds issued	4,298	12,895	1,118,775	--	**1,135,968**
Loans to related parties	--	2,673	37,722	--	**40,395**
Derivative financial liabilities	1,706	5,064	24,911	2,722	**34,403**
Lease liabilities	153	240	1,054	4,555	**6,002**
Trade and other payables incl. Corporate income tax liability	172,656	15,423	18,128	--	**206,207**
Total	**200,029**	**155,549**	**1,873,778**	**1,782,618**	**4,011,974**

2019	Contractual cash flows				
In EUR thousand	Until 3 months	3 - 12 Months	Between 1 - 5 years	Over 5 year	Total
Interest-bearing loans and borrowings	24,206	165,565	912,632	1,810,093	**2,912,496**
Loans to related parties	--	61,040	49,275	--	**110,315**
Derivative financial liabilities	881	2,629	10,465	2,310	**16,285**
Lease liabilities	125	379	1,140	4,487	**6,131**
Trade and other payables incl. Corporate income tax liability	158,104	16,493	16,396	--	**190,994**
Total	**183,316**	**246,105**	**989,909**	**1,816,890**	**3,236,221**

2018	Contractual cash flows				
In EUR thousand	Until 3 months	3 - 12 Months	Between 1 - 5 years	Over 5 year	Total
Interest-bearing loans and borrowings	25,905	129,101	1,245,254	899,857	**2,300,118**
Loans to related parties	168	--	980,913	--	**981,081**
Derivative financial liabilities	919	2,783	11,771	854	**16,327**
Lease liabilities	125	379	1,141	4,941	**6,587**
Trade and other payables incl. Corporate income tax liability	133,533	14,216	11,729	--	**159,478**
Total	**160,651**	**146,480**	**2,250,808**	**905,652**	**3,463,591**

Fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are obtained, as appropriate, from quoted market prices, discounted cash flow projections and other valuation models.

To estimate the fair value of individual classes of financial instruments, the following methods and assumptions are used:

Cash and cash equivalents, short-term investments

The book value of cash and other short-term investments approximates their fair value, as these financial instruments have a relatively short maturity.

Receivables and payables

The book value of short-term receivables and payables approximates their fair value, as these financial instruments have a short maturity.

Short-term loans

The book value approximates their fair value, as these instruments have a floating interest rate and a short maturity.

Long-term loans

The book value of long-term loans and other liabilities with different interest rates approximates their fair values. Bank loans with fixed interest rates were concluded in September 2020, and therefore their fair value approximates the book value.

Bond

The fair value of bond issued as at 31 December 2020 is of EUR 403,228 thousand for the bonds with maturity on 27 November 2023 and EUR 689,130 thousand for bonds with maturity on 1 October 2025.

Derivatives

The fair value of derivatives is based on their market value.

Investment property

Investment property is stated at fair value based upon a discounted cash flow calculation for a 10-year period. The cash flow assumes a 10-year holding period with the exit value calculated on the 11th year income (refer to Note 4b).

Investment property under development

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (refer to Note 4c).

Global health pandemic (COVID-19) assessment

Overall, whilst we will of course be adversely affected by the disruption to normal life caused by COVID-19 related measures, we believe that CTP is well placed to withstand these with limited impact on our financial position.

Although the impact of the Covid-19 is incorporated in the figures as at and for the period ended 31 December 2020, Covid-19 can impact CTP in the period after 31 December 2020. However, based on the current assessment we believe that the impact on CTP will be limited.

Associated with the COVID-19 virus, we have considered possible events and conditions for the purpose of identifying whether these events and conditions affect, or may affect the future performance of the company. In making this assessment, we have considered:

(i) the period up to 12 months after the end of the reporting period, as well as for
(ii) the period up to 12 months after the date of this report.

We assessed the following risks:

- Changes in demand of the company's products / services; CTP experienced an ongoing demand for new developments and take up of leases for its space.

- Signals of deterioration of credit risk and payment behavior of debtors; whilst at the beginning of the Covid pandemic there was a lot of uncertainty as regards the predictability of the rental collection, during 2020 CTP experienced no material hick-ups in its rental collection. More specifically, 98% of tenants paid their rents within the contracted payment period.

- Disruptions in the (inter-) national supply chains; instead we recorded an increase in demand for space as a result of this trend.

- Signals of change in payment terms required by creditors; as stated above, after an initial period of unpredictability in this respect, during which time a limited number of tenants contacted CTP for rental freeze (which were declined by us), the payment discipline of our tenants kept its normal pattern.

- Disruptions in the company's core processes (construction/ property management / offices / work force etc.); apart from some initial minor delays in construction activities due to workers staying at home due to the pandemic, our construction was resumed to normal pace quickly. In hindsight and when reviewing its full effect, no material disruptions were recorded.

- Issues with providers of financing / loan covenants / credit facilities; as a result of our bond financings, some Eur700mln in bank loans were prepaid in the 4th Quarter of 2020. Although this does only has a positive impact on meeting bank conditions, CTP wishes to maintain its solid bank relationships by making sure that core relationship banks can benefit through offering fee-based banking services to the Group.

We expect COVID-19 to have negative but also positive effects (such as an increase demand for our premises in suitable e-commerce locations due to move from classic retailers to e-commerce). Furthermore, we expect that manufacturing locations will be located closer to the consumption end of the European supply chains due to the trend of diversification of manufacturing locations, which will lead to an increase of the demand for new space. Therefore, on balance we believe that for CTP positive effects will prevail in the mid-term. During 2020 CTP experienced no liquidity issues with tenants. Initial payments delays that were recorded directly after outbreak of COVID-19 were solved in a few weeks, confirming CTP's business profile being resilient as it benefits from a very diversified portfolio (in terms of both geographical locations and tenants). CTP has no dependence on any single individual tenant or location in isolation.

In October and November 2020, the Group successfully issued senior unsecured bonds in the amount of EUR 1,050 million, providing another indicator of CTP's sound financial position and trust of investors. When current low bond interest pertain CTP will continue issuing bonds and replace the existing bank financing.

The valuator of the industrial portfolio did not include a material valuation uncertainty statement in the valuations as per 31 December 2020, which confirms that the appraiser has sufficient market evidence and the estimation uncertainty is comparable to the period before the outbreak of COVID-19. For the hotel portfolio the appraiser did include a material valuation uncertainty statement as the leisure and travel industry has been affected by the outbreak of COVID-19. The value of the hotel portfolio comprises 0.9% of the total assets of the Company.

We expect that interest rates will stay at very low levels for an even more extended period, which will continue to support the demand and thus the current property valuations.

The management is convinced that the current uncertainties related to the COVID-19 virus do not impact the presented Annual report as per 31 December 2020.

CTP is not aware of any other events that have occurred since the statement of financial position date that would have a material impact on these financial statements as at 31 December 2020 particularly also in respect of the going-concern assumption covering the 12 months period after the day of this report.

35.Contingent liabilities

Issued guarantees

Under Guarantee agreements concluded following the sale of a portfolio A, CTP Invest, spol. s r.o. and CTP CEE Properties, spol. s r.o. provided specific guarantees to the buyer of the entities being the companies established by Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH.

The specific guarantees include (i) Rental Guarantee (Vacant Premises, Rent Shortfall, Outstanding Tenant Incentives) (ii) Tenant Guarantees (Default, Break Options, Non-Solicitation) and (iii) Technical Guarantee (for the quality of the buildings). The duration of the guarantees is until 15 November 2028, unless they terminate earlier pursuant to the agreement.

During 2020 Raiffeisenbank a.s. issued a bank guarantee on behalf of the Group in favor of BOHEMIA SHELFCO 2018 S.R.O. in the amount of EUR 2 543 thousand. The bank guarantee relates to the warranty under the General Agreement for the delivery of a turn-key project in Stříbro, Czech Republic and terminates on 3 June 2022.

Contracted work

As at 31 December 2020, the Group has contracted work with external suppliers related to realization of construction project, which is not performed at the year-end of EUR 172,595 thousand (2019 – EUR 150,788 thousand; 2018 – EUR 125,181 thousand).

36.Pledges

Shares, receivables, future receivables and other assets in some of the subsidiaries are pledged in favor of the financing institutions for securing the bank loans received by them. As at the date of these financial statements the assets in the following companies are pledged:

Company	Pledge in favour of
CTP Contractors SRL	Raiffeisen Bank International AG
CTP Industrial Property CZ, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTP IQ Ostrava, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
CTP Portfolio Finance Czech B.V.	Aareal Bank AG
CTP Slovakia, s. r. o.	Tatra banka, a.s.
CTP Vlněna Business Park, spol. s r.o.	UniCredit Bank Czech Republic and Slovakia, a.s.
CTPark Alpha Kft.	Unicredit Bank Hungary Zrt.
CTPark Alpha SRL	Raiffeisen Bank SA
CTPark Arrabona Kft.	Unicredit Bank Hungary Zrt.
CTPark Beta SRL	HYPO NOE AG
CTPark Biatorbágy Kft.	ERSTE Bank Hungary Zrt (50%), ERSTE GROUP Bank AG (50%)
CTPark Bucharest A1 SRL	Alpha Bank SA
CTPark Bucharest SRL	ING Bank N.V.
CTPark Bucharest Upsilon SRL	Alpha Bank SA
CTPark Čierny Les, spol. s r.o.	Tatra banka, a.s.
CTPark Delta Kft.	ERSTE Bank Hungary Zrt
CTPark Delta Kft.	ERSTE Bank Hungary Zrt (50%), ERSTE GROUP Bank AG (50%)
CTPark Eleven Kft.	ERSTE Bank Hungary Zrt
CTPark Eta SRL	Raiffeisen Bank International AG
CTPark Eta SRL	Raiffeisen Bank SA
CTPark Kappa SRL	Alpha Bank SA
CTPark Nine Kft.	ERSTE Bank Hungary Zrt
CTPark Phi SRL	Raiffeisen Bank International AG
CTPark Seven Kft.	Unicredit Bank Hungary Zrt.
CTPark Ten Kft.	ERSTE Bank Hungary Zrt (50%), ERSTE GROUP Bank AG (50%)

37.Subsequent events

On 4 February 2021 CTP announced its plans to expand its CTPark network concept to satisfy the high demand for logistics properties in Poland by entering a strategic partnership with Poland-based MDC² in order to develop full-service business parks throughout Poland. Construction in the first three locations will start in Q1 2021 and CTP expects to invest EUR 200 million during the first year of the project.

CTP's latest bond was issued on 18 February 2021 and priced at a coupon of 0,75%, definitely an further indication of CTP's attraction to investors given that medium to long term bank financing was done around the 2.0% mark in September 2020 through the EUR 415 million 10-year Aareal facility.

In January and February 2021, the Company prematurely repaid loans and borrowings from financial institutions in the total amount of EUR 45,688 thousand.

From the receipts out of the bonds issued in February 2021 the Company prematurely repaid in March 2021 loans and borrowings from financial institutions in the total amount of EUR 249,482 thousand.

The Group finalised merger with effective date as of 1 January 2021 of Valkenburg s.r.o. that ceased to exist and CTPark Aš II, spol. s r.o. (formerly CTP XIX, spol. s r.o.) as successor.

In 2021, the Group further established the following new subsidiaries:

Subsidiary	**Country**
CTP Invest B.V.	Netherland
CTP Alpha B.V.	Netherland
CTP Beta B.V.	Netherland
CTPark Theta EOOD	Bulgaria
CTPark Eta EOOD	Bulgaria
CTPark Iota EOOD	Bulgaria

In 2021, the Group initiated the process of wound-up of below subsidiaries:

Subsidiary	**Country**
CTPersonnel Bor, spol. s r.o. v likvidaci	Czech Republic
CTP Finance, spol. s r.o. v likvidaci	Czech Republic
CTP Infrastructure, spol. s r.o. v likvidaci	Czech Republic
CTP Solar, a.s. v likvidaci	Czech Republic
CTP I, spol. s r.o. v likvidaci	Czech Republic
CTP Beta, spol. s r.o. v likvidaci	Czech Republic
CTP Omega, spol. s r.o. v likvidaci	Czech Republic
CTP Property Bulgaria, spol. s r.o. v likvidaci	Czech Republic
CTP Property Serbia, spol. s r.o. v likvidaci	Czech Republic
CTP Property Romania, spol. s r.o v likvidaci	Czech Republic
Multidisplay s.r.o. v likvidaci	Czech Republic

CTP is not aware of any other events that have occurred since the statement of financial position date that would have a material impact on these financial statements as at 31 December 2020.

Utrecht, 15 March 2021

Remon L. Vos Richard J. Wilkinson

COMPANY FINANCIAL STATEMENTS

Company balance sheet

As at 31 December
Before profit appropriation

In EUR thousand	Note	31 December 2020	21 October 2019
Assets			
Investments in group companies	4	2,262,021	1,802,714
Long-term receivables due from related parties	14	737,922	--
Total non-current assets		**2,999,943**	**1,802,714**
Trade and other receivables		493	--
Cash and cash equivalents	10	307,154	--
Total current assets		**307,647**	**0**
Total assets		**3,307,590**	**1,802,714**
Issued capital		53,760	--
Share premium reserve		1,858,460	1,802,714
Legal reserve on participating interest		1,586,323	1,345,120
Translation reserve		14,458	5,255
Retained earnings		-1,676,396	-1,350,375
Result for the year		426,597	--
Total equity	5	**2,263,202**	**1,802,714**
Liabilities			
Bonds issued	6	1,041,971	--
Total non-current liabilities		**1,041,971**	**0**
Trade and other payables	9	2,417	--
Total current liabilities		**2,417**	**0**
Total liabilities		**1,044,388**	**0**
Total equity and liabilities		**3,307,590**	**1,802,714**

The company balance sheet is to be read in conjunction with the notes set out on pages 93 to 102.

Company income statement

Over the period 21 October 2019 up to and including 31 December 2020

In EUR thousand	Note	Period from 21 October 2019 to 31 December 2020
Administration costs	11	-7,649
Net other income / expenses		**-7,649**
Net loss before finance costs		**-7,649**
Interest income	14	3,815
Interest expense		-4,178
Other financial expense		-1,107
Net finance income / expenses	12	**-1,470**
Result from participating interest		**435,716**
Result before income tax		**426,597**
Income tax expense	13	--
Result for the year		**426,597**

The company income statement is to be read in conjunction with the notes to set out on pages 93 to 102.

Notes to the Company financial statements

1. General information

The company financial statements are part of the 2020 financial statements of CTP B.V. (the 'Company').

The principal operation of the Company is the exploitation of investment property throughout Europe, in the Czech Republic, Romania, Hungary, Slovakia, Serbia and Poland through its subsidiaries.

2. Principles for measurement of assets and liabilities and determination of result

The company financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of results for the company financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the company financial statements of the Company are the same as those applied for the consolidated EU-IFRS financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these financial statements, the separate financial statements should be read in conjunction with the consolidated financial statements.

All amounts in the company financial statements are presented in EUR thousand, unless stated otherwise.

Participating interests in group companies
Participating interests in group companies are accounted for in the company financial statements according to the equity method. Refer to the basis of consolidation accounting policy in the consolidated financial statements.

Result of participating interests
The share in the result of participating interests consists of the share of the Company in the result of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves, are not incorporated insofar as they can be deemed to be unrealised.

Impairment
The Company applies an ECL (expected credit loss) model. Under this approach, all financial assets in the scope of the impairment model of the Company generally carry a loss allowance – even those that are newly originated or acquired.

Under the general approach, the measurement basis of Company's assets, other than investment property, investment property under development and deferred tax assets, depends on whether there has been a significant increase in credit risk since initial recognition.

The Company bases the impairment calculation on its historical, observed default rates, and also takes into account adjustments of forward-looking estimates that include the probability of a worsening economic environment within the next years. At each reporting date, the Company updates the observed default history and forward-looking estimates.

Loans provided
Loans are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Loans provided are subsequently measured at amortised cost using the effective interest method, less any impairment losses.
The Company classifies as a current portion any part of long-term loans that is due within one year from the reporting date.

3. Financial reporting period and comparative figures

CTP B.V. is founded on 21 October 2019 and has, according to the articles of association an extended financial year which ended at the balance sheet date of 31 December 2020. Therefore the first financial year of CTP B.V. present the period 21 October 2019 up to and included 31 December 2020.

CTP B.V. acquired CTP Property B.V. and CTP Invest, spol. s r.o. under common control. The company financial statements follow the legal requirements rather than the economic perspective of the common-control transactions (refer to Note 3b to the consolidated financial statements) therefore the common control transactions are accounted for as of the date of incorporation of CTP B.V. The Company decided to re-present its comparatives and adjust its current reporting period before the date of the transaction in case the combination had occurred as at the date of incorporation.

4. Investments in group companies

The Company has as at 31 December the following financial interests in group companies:

In EUR thousand	**Share in issued capital in %**		**Amount**	
	31 December 2020	**21 October 2019**	**31 December 2020**	**21 October 2019**
Participating interests	100,0%	100,0%	2,262,021	1,802,714

The Company holds 100% ownership interests in two subsidiaries – CTP Invest, spol. s r.o. with statutory seat in the Czech Republic and CTP Property B.V. with statutory seat in the Netherlands.

The movements of the investment in group companies can be shown as follows:

In EUR thousand	Participating interests in group companies	Total
Balance at 21 October 2019	**1,796,664**	**1,796,664**
Acquisitions	--	--
Increase in investment - capital contribution	450,466	450,466
Decrease in investments	-285,978	-285,978
Returned contribution	-12,102	-12,102
Dividends received	-122,745	-122,745
Share in result of participating interests	435,716	435,716
Balance at 31 December 2020	**2,262,021**	**2,262,021**

As pooling of interest is applied the share in result of participating interest covers the period 21 October 2019 up to and including 31 December 2020. This includes the result of CTP Invest spol. s r.o. over the period 21 October 2019 (accounting date) and 27 January 2020 (transaction date) of EUR 69.6 million.

5. Shareholders´ equity

In EUR thousand	Issued capital	Share premium reserve	Legal reserve for participating interest	Translation reserve	Retained earnings	Net profit for the period	Total equity
Balance as at 21 October 2019	**0**	**1,802,714**	**1,345,120**	**5,255**	**-1,356,425**	**0**	**1,796,664**
Increase of share capital	53,760	-53,560	--	--	--	--	**200**
Increase of other legal reserve	--	--	241,203	--	-241,203	--	**0**
Result of CTP Invest, spol. s r.o. over the period 21 October 19 till 27 January 2020	--	69,565	--	--	-69,565	--	**0**
Returned contribution		-12,102	--	--	--		**-12,102**
Increase in share premium	--	51,843	--	--	--	--	**51,843**
Translation reserve	--	--	--	9,203	-9,203	--	**0**
Net result for the year	--	--	--	--	--	426,597	**426,597**
Balance as at 31 December 2020	**53,760**	**1,858,460**	**1,586,323**	**14,458**	**-1,676,396**	**426,597**	**2,263,202**

Issued capital

In 2018 and 2019, the issued capital consisted of 100 ordinary shares with nominal value of share of EUR 1.

In April 2020, based on approved change in Articles of association, the Company issued share capital amounted to EUR 200 thousand divided into 20,000,000 shares with nominal value of EUR 0.01. Nominal value of share was increased to EUR 0.16 per share and share capital increased to EUR 3,200 thousand.

In December, there was new approved update in Articles of association and additional 316,000,000 shares were issued, with the nominal value of EUR 0.16 per share.

The authorized share capital of the Company consisted of 336,000,000 ordinary shares with nominal value of EUR 0.16 per share as at 31 December 2020.

Share premium reserve

The share premium concerns the income from the issuing of shares in so far as this exceeds the nominal value of the shares (above par income).

Share premium as per 21 October 2019 of EUR 1,802.7 million consists of the book value of CTP Property B.V. (EUR 951.8 million) and CTP Invest spol, sro (EUR 850.9 million). The book value of CTP Invest spol, sro at the transaction date (27 January 2020) is EUR 920.5 million. As pooling of interest has been applied the result over the period 21 October 2019 (accounting date) and 27 January 2020 (transaction date) of EUR 69.6 million of CTP Invest spol, sro is shown in the movement schedule of equity as transfer of retained earnings to share premium. The existing legal reserves are transferred as at 21 October 2019 and movements are shown since that date.

Legal reserve for participating interest

Other legal reserves which amounts to EUR 1,574,671 thousand consists as per 31 December 2020 solely out of a legal reserve for participating interests and pertains to participating interests that are accounted for according to the equity accounting method. The reserve represents the difference between the participating interests' retained profit and direct changes in equity, as determined on the basis of the Company's accounting policies, and the share thereof that the Company may distribute.

The acquisition of the participations in CTP Property B.V. and CTP Invest, spol. s r.o. including its subsidiaries from related party Multivest B.V. under a common control transaction occurred in 2019 and 2020. The legal reserve significantly increased as the valuation gain on this portfolio was transferred from the retained earnings.

The shares thereof the Company may distribute takes into account any profits that may not be distributable by participating interests that are Dutch limited companies based on the distribution tests to be performed by the management of those companies. The legal reserves are determined on an individual basis.

Net result for the year

Net result for the year consists of share in result of participating interest, administration cost and net finance expense.

At the General Meeting, the following appropriation of the result 2020 will be proposed: addition of the amount of EUR 426,597 thousand to the retained earnings.

6. Bonds issued

On 1 October 2020, the Company CTP B.V. issued EUR 650 million unsecured bonds in nominal value of EUR 100 each. The bonds are issued as subordinated, with fix interest rate

2.125% p.a. and bonds are due on 1 October 2025. The ISIN of the bonds is XS2238342484. There are no covenants related to the bonds.

On 27 November 2020, the Company CTP B.V. issued additional EUR 400 million unsecured bonds in nominal value of EUR 100 each. The bonds are issued as subordinated, with fix interest rate 0.625% p.a. and bonds are due on 27 November 2023. The ISIN of the bonds is XS2264194205. There are no covenants related to the bonds.

In EUR thousand	**21 October 2019 - 31 December 2020**
Non-current liabilities	
Bonds issued - nominal value	1,050,000
Interest expense	3,682
Discount applied	-8,605
Amortisation of applied discount	345
Bond issuance costs	-3,602
Amortisation of bond issuance costs	151
Balance at 31 December	**1,041,971**

In December 2020, CTP B.V. has concluded the agreement with Raiffeisen International Bank A.G. for providing the EUR 100,000 thousand revolving facility to the Company. As at 31 December 2020, the revolving facility was not used for financing of the Group.

7. Financial instruments

General

The Group has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to CTP.

Credit risk concentration:

In EUR thousand	**2020**
Amounts due from banks	307,154
Amounts due from related parties	737,922
Amounts due from third parties	493
Total	**1,045,569**

Liquidity risk

Liquidity risk is the risk that company will not be able to meet its financial obligations as they fall due. With respect to the nature of its business and its assets, the Company is naturally exposed to a certain amount of liquidity risk.

2020	Contractual cash flows				
In EUR thousand	Until 3 months	3 - 12 Months	Between 1 - 5 years	Over 5 year	Total
Bonds issued	4,298	12,895	1,118,775	-	**1,135,968**
Trade and other payables incl. Corporate income tax liability	2,417	-	-	-	**2,417**
Total	**6,715**	**12,895**	**1,118,775**	**-**	**1,138,385**

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect CTP's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing the return. CTP B.V. is not subject of interest rate risk, nor foreign currency risks, as all loans provided are with fixed interest rate and in functional currency of the Group EUR.

In the notes to the consolidated financial statements information is included about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

8. Off-balance sheet assets and liabilities

In 2020, the Company has no off-balance sheet assets, nor liabilities to be presented in these financial statements.

9. Trade and other payables

Trade and other payables consist of arrangement fees, accruals for legal, tax and audit services.

10.Cash and cash equivalents

Cash and cash equivalents of EUR 307,154 thousand consist of petty cash, cash at bank balances, including cash acquired from bond issuance and cash on deposit account.

11.Operational expenses

In EUR thousand	21 October 2019 - 31 Decmber 2020
Administrative expenses, legal, tax and audit	7,649
Total	**7,649**

For details related to audit fees, please refer to table below. Only audit services were provided to the Group.

Audit fees

The following fees were charged by KPMG Accountants N.V. to the Company, its subsidiaries and other consolidated companies, as referred to in Section 2.382a (1) and (2) of the Dutch Civil Code:

In EUR thousand for 2020	KPMG Accountants N.V.
Audit fees	173
Other services	--
Total	**173**

12. Net finance income/expense

In EUR thousand	21 October 2019 - 31 December 2020
Interest income from related parties	3,815
Finance income	**3,815**
Bond interest expenses	3,682
Bond Issuance costs	496
Other financial expense	1,107
Finance costs	**5,285**
Net finance income / expense	**-1,470**

13. Income taxes

No Dutch income taxes have been recorded, primarily because of the participation exemption.

14. Related parties

In period 21 October 2019 up to 31 December 2020 the Group had the following interest income with related parties:

In EUR thousand	21 October 2019 - 31 December 2020 Revenues	Expenses
Spielberk Business Park, spol. s.r.o. (formerly Spielberk Office Center, spol. s.r.o.)	664	--
CTPARK BUCHAREST WEST I SRL	466	--
CTP Holding B.V.	340	--
CTPark Bratislava, spol. s.r.o.	300	--
Spielberk Business Park II, spol. s.r.o. (formerly CTP INVEST V, spol. s.r.o.)	232	--
CTPARK BUCHAREST WEST II SRL (formerly H.E.E. (MERCURY) PROPRIETATI SRL)	155	--
CTPark Košice, spol. s.r.o.	152	--
CTPark Bucharest A1 SRL	121	--
CTP Invest, spol. s r.o.	111	--
CTP Hotel Prague, spol. s r.o.	94	--
CTP Alpha SK, spol. s.r.o.	91	--
CTPARK DELTA SRL	86	--
CTPark Opole Sp. z o.o. (formerly CTP Alpha Poland Sp. Z.o.o.)	82	--
CTPARK SIGMA SRL	81	--
CTPARK DEVA II SRL (formerly DEVA LOGISTIC CENTER S.A.)	77	--
CTPark Beta Kft.	74	--
CTPark Gamma Kft.	73	--
CTPARK OMEGA SRL	65	--
CTPark Hlohovec, spol. s r.o. (formerly CTPark Nitra, s.r.o.)	63	--
CTP Hotel Pilsen, spol. s.r.o. (formerly 2P , s.r.o.)	59	--
CTP Property B.V. (formerly CTP Invest B.V.)	49	--
CTPARK GAMMA SRL	46	--
CTPARK LAMBDA SRL	42	--
CTPARK BUCHAREST II SRL (formerly CENTURA PROPERTY HOLDINGS S.A.)	35	--
CTPark Nove Mesto, spol. s.r.o.	33	--
CTPark Delta EOOD	27	--
CTPark Prague North III, a.s. (formerly DUNSTAR a.s.)	25	--
Other	172	--
Total	**3,815**	**0**

The revenues comprise interest on loan and borrowings provided to the subsidiaries.

As at 31 December 2020, the Group has the following Long-term receivables due from related parties:

In EUR thousand	2020
Spielberk Business Park, spol. s.r.o. (formerly Spielberk Office Center, spol. s.r.o.)	101,586
CTPARK BUCHAREST WEST I SRL	80,527
CTPark Bratislava, spol. s.r.o.	48,913
CTP Property B.V. (formerly CTP Invest B.V.)	35,831
Spielberk Business Park II, spol. s.r.o. (formerly CTP INVEST V, spol. s.r.o.)	35,463
CTPark Košice, spol. s.r.o.	32,309
CTPARK GAMMA SRL	27,008
CTP Holding B.V.	25,730
CTPARK BUCHAREST WEST II SRL (formerly H.E.E. (MERCURY) PROPRIETATI SRL)	23,585
CTPark Bucharest A1 SRL	20,936
CTP Hotel Prague, spol. s r.o.	19,973
CTP Alpha SK, spol. s.r.o.	19,299
CTP Zeta doo Beograd-Novi Beograd	18,003
CTPark Beta Kft.	15,668
CTPark Hlohovec, spol. s r.o. (formerly CTPark Nitra, s.r.o.)	14,973
CTP Slovakia, s.r.o.	12,819
CTPark Prague North III, a.s. (formerly DUNSTAR a.s.)	12,675
CTP Hotel Pilsen, spol. s.r.o. (formerly 2P , s.r.o.)	12,541
CTPARK OPOLE SRL	12,228
CTP Delta doo Beograd-Novi Beograd	11,968
CTPark Delta EOOD	11,547
CTPark Gamma Kft.	11,384
CTPARK SIGMA SRL	10,429
CTPARK BUCHAREST SRL	10,235
CTPARK OMEGA SRL	10,204
CTPARK DELTA SRL	9,814
CTP Gamma doo Beograd-Novi Beograd	9,338
CTPARK BETA SRL	8,983
CTP Invest, spol. s r.o.	5,448
CTPARK LAMBDA SRL	5,398
CTP Alpha doo Beograd-Novi Beograd	5,024
CTP XIX, spol. s r.o. (formerly CTP Invest XXV, spol. s.r.o.)	4,733
CTPark Krásno nad Kysucou, spol. s r.o. (formerly CTP Beta SK, spol. s.r.o.)	4,566
CTPARK BUCHAREST II SRL (formerly CENTURA PROPERTY HOLDINGS S.A.)	4,455
CTP Beta doo Beograd-Novi Beograd	3,964
CTPark Brno Líšeň East, spol. s r.o. (formerly CTP Invest XX, spol. s.r.o.)	3,785
CTPARK MIU SRL	3,415
CTPark Brno Líšeň II, spol. s r.o. (formerly CTP Invest XXIV, spol. s.r.o.)	3,175
CTPARK RHO SRL	2,613
CTPARK ZETA SRL	2,207
Valkenburg s.r.o.	1,924
Total	**737,922**

Interest rate on long-term receivables due from related parties is 2.4% - 5.3% p.a. depending on purpose and country specific conditions.

Movement schedule of the loans provided to related parties:

In EUR thousand	**Total**
Balance of the loans provided as at 21 October 2019	--
Loans granted to the related parties	1,148,024
Repayment of loans	-413,663
Interest accrued	3,704
Interest received	-143
Balance at 31 December 2020	**737,922**

15. Personnel

The Company did employ 1 employee from 1 July 2020 onwards (no employees in 2019 until 30 June 2020).

16.Emoluments of directors

The emoluments, including pension costs as referred to in Section 2:383(1) of the Dutch Civil Code, charged in the financial year to the company, its subsidiaries and consolidated other companies amounted to EUR 317 thousand (2018 – EUR 0 thousand) for managing directors and former managing directors.

17.Subsequent events

For subsequent events, see Note 37 of the consolidated financial statements.

18.Subsidiaries

The Company has 100% ownership interest in CTP Property B.V. and CTP Invest, spol. s r.o. which owns subsidiaries with operational activities in the Czech Republic, Hungary, Romania, Poland, Slovakia, Austria, Germany, Serbia and Bulgaria.

For the structure of the Company as at 31 December 2020 refer to Appendix 1.

Utrecht, 15 March 2021

The Board of Directors

Remon L. Vos   Richard J. Wilkinson

OTHER INFORMATION

Provisions in the Articles of Association governing the appropriation of profit

According to article 22 of the Company's Articles of Association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate the profit wholly or partly to the general or specific reserve funds.

The board has to approve the appropriation of profit before the decision of the general meeting takes effect.

The company can only make payments to the shareholders and other parties entitled to the distributable profit for the amount the shareholders' equity are greater than the paid-up and called-up part of the capital plus the legally required reserves.

Independent auditor's report

Independent auditor's report

To: the Board of Directors of CTP B.V.

Report on the audit of the financial statements for the periods ended 31 December 2020 and 31 December 2018 included in the annual report

Our opinion

In our opinion:

— the accompanying consolidated financial statements give a true and fair view of the financial position of CTP B.V. as at 31 December 2020 and 31 December 2018 and of its result and its cash flows over the periods 1 January 2019 up to and including 31 December 2020 and 1 January 2018 up to and including 31 December 2018 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

— the accompanying company financial statements give a true and fair view of the financial position of CTP B.V. as at 31 December 2020 and of its result over the period 21 October 2019 up to and including 31 December 2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements for the periods ended 31 December 2020 and 31 December 2018 of CTP B.V. (the Company) based in Utrecht. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1 the consolidated statement of financial position as at 31 December 2020 and 31 December 2018;

2 the following consolidated statements over the periods 1 January 2019 up to and including 31 December 2020 and 1 January 2018 up to and including 31 December 2018: the statements of profit and loss and comprehensive income, changes in equity and cash flows; and

3 the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1 the company balance sheet as at 31 December 2020;

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2 the company income statement over the period 21 October 2019 up to and including 31 December 2020; and

3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of CTP B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit approach

Summary

Materiality

— Materiality of EUR 50 million
— 0.77% of total assets as per 31 December 2020

Group audit

Our group scoping resulted in a coverage of:
— 99% of investment property and investment property under development
— 96% of total assets
— 78% of rental income

Key audit matter

— Valuation of investment property and investment property under development

Opinion

Unqualified

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Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 50 million. The materiality is determined with reference to total assets as per 31 December 2020 (0.77%). We consider total assets as the most appropriate benchmark because of the nature of the business, the level of activities and asset value is likely the primary focus of users of evaluating CTP B.V.'s financial performance and so total assets is the presumed benchmark.We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements in excess of EUR 2.5 million which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

CTP B.V. is at the head of a group of components (the Group). The financial information of this group is included in the financial statements of CTP B.V.

Our group audit scoping was mainly based on the accounts investment property and investment property under development. We determined the significant components based on the relative size and risk profile of the accounts investment property and investment under development where we assigned a full scope audit (audit of the complete reporting package). Additionally, we included certain components in the scope of our group audit where specified audit procedures are performed on the valuation of investment property and investment property under development in order to obtain sufficient audit coverage.

Our involvement included preparing and sending instructions to the component auditors, participation in planning discussions, virtual meetings to discuss the results of audit procedures at component level and discussions on the valuation of investment property and investment property under development with the Board of Directors and external appraisers engaged by the Group.

In view of restrictions on the movement of people across borders, and also within significantly affected countries, we considered changes to the planned audit approach to evaluate the component auditors' communications and the adequacy of their work. According to our original audit plan, we intended to visit the component in the Czech Republic to review selected component auditor documentation. Due to the aforementioned restrictions, this was not practicable in the current environment. As a result, we have requested the component auditor to provide us with access to audit workpapers to perform these evaluations. In addition, due to the inability to arrange in-person meetings with such component auditors, we have increased the use of alternative methods of communication with them, including through written instructions, exchange of emails and virtual meetings.

For the residual population not in scope we performed analytical procedures in order to corroborate that our scoping remained appropriate throughout the audit.

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By performing the procedures mentioned above at group components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

The audit coverage as stated in the section summary can be further specified as follows:

Investment property and investment property under development

74%	25%
Audit of the complete reporting package	Specified audit procedures

Total assets

74%	22%
Audit of the complete reporting package	Specified audit procedures

Rental income

78%

Audit of the complete reporting package

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matter to the Board of Directors. The key audit matter is not a comprehensive reflection of all matters discussed.

This matter is addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

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Valuation of investment property and investment property under development)

Description

Investment property and investment property under development (hereafter 'investment property') amounts to EUR 5.8 billion and represent 89% of the Group's total assets as at 31 December 2020. Investment property is valued at fair value; therefore, the Group has to make estimates and use assumptions to determine those fair values. The fair value is, as explained in notes 17 and 18 to the financial statements, are determined by the Board of Directors based on appraisal reports by independent appraisers

Because the valuation of investment property is complex and highly dependent on estimates and assumptions (such as market rent, yield, expected vacancies, interest rates, expected capital expenditure, maintenance and specifically for investment property under development the development margin) and the availability of comparable transactions, we consider the valuation of investment property and investment property under development as a key audit matter in our audit.

Our response

We have evaluated the competence, capabilities and objectivity of the external appraiser.

We have evaluated the appropriateness of the information and assumptions used in the valuations. This includes the estimates made by the Board of Directors supported by the external appraisal firms. We focused on the significant assumptions, such as: estimated rental value, discount rate and specifically for investment property under development the development margin.

We analysed the results of the valuation process and discussed the abovementioned factors that determine the valuations with the Board of Directors and the external appraiser. For that purpose we used the expertise of our own internal property valuation specialists. These specialists have supported us with our assessment of the (significant) assumptions, methods and developments in the valuations.

Further we have determined that no so-called material valuation uncertainty clauses are included in the valuation reports and have discussed the considerations with the Board of Directors. We refer to note 34 to the financial statements for the disclosure of the impact of Covid-19 on CTP B.V.

Finally, we verified whether the disclosures in notes 17 and 18 to the financial statements in respect of investment property are in conformity with EU-IFRS.

Our observation

Overall, we assess that the assumptions and methodologies used, and related estimates resulted in a balanced valuation of investment property and concur with the related disclosures in the financial statements.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

— is consistent with the financial statements and does not contain material misstatements; and

— contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the General Meeting of Shareholders as auditor of CTP B.V. on 16 November 2020, as of the audit for the period ended 31 December 2020 which is the first statutory financial year of the Company.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description forms part of our auditor's report.

Amstelveen, 15 March 2021

KPMG Accountants N.V.

H.D. Grönloh RA

Appendix:
Description of our responsibilities for the audit of the financial statements

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Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

— identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

— obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

— evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

— concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;

— evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and

— evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Appendix 1

CTP Group Structure

As at 31 December 2019

Remon Leonard Vos — Person with significant control
- 100% → Stichting Administratiekantoor Multivest
  - 100% → CTP Management B.V
  - 100% → Multivest B.V.
    - 50% → CTP Energy TR a.s., v likvidaci
    - 100% → CTP Invest, spol. s r.o.
      - CTP CEE Properties, spol. s r.o. (CZ)
    - 95.97% → CTP Holding B.V.
  - 98.89% → CTP Partners B.V.
- Employees & Partners — 1.11% → CTP Partners B.V.

CTP Partners B.V. — 4.03% → CTP Holding B.V.

CTP Holding B.V. — 100% → CTP B.V. — 100% → CTP Property B.V.

CTP Invest, spol. s r.o.

Czech Republic

- CTP Property Czech, spol. s r.o. 100%
- CTP Invest 1, spol. s r.o. 100% L
- CTP Invest III, spol. s r.o. 100% L
- CTPark Brno Retail, spol. s r.o. 100% L
- CTPark Brno III, spol. s r.o. 100% L
- Multidisplay s.r.o. 100% E
- CTP Invest XII, spol. s r.o. 100% L
  - → Development OVA West, a.s. 100% L
- CTPark Prague North II, spol. s r.o. 100% E
- CTP Invest XIV, spol. s r.o. 100% E
- CTP Invest XV, spol. s r.o. 100% L
- CTP Vlněna Business Park, spol. s r.o. 100%
- CTP Invest XIX, spol. s r.o. 100% E
  - → CTP Invest XXX, spol. s r.o. 100%
- CTP Property XXIII, spol. s r.o. 100% L
- CTP Invest XX, spol. s r.o. 100%
- CTPark Prague North III, a.s. 100%
- CTP Property XXVI, spol. s r.o. 100% E
- CTPark Stříbro, spol. s r.o. 100% L
- CTPark České Budějovice, a.s. 100% L
- CTP Invest XVIII, spol. s r.o. 100% E
- CTP Invest XXI, spol. s r.o. 100% E

Serbia

- → RS11 Expo Site doo Beograd 100% L
- CTP Invest XXII, spol. s r.o. 100% L
- CTP Invest XXIII, spol. s r.o. 100% E
- CTP Invest XXIV, spol. s r.o. 100%
- CTP Invest XXV, spol. s r.o. 100% E
- CTP Invest XXVI, spol. s r.o. 100% L
- CTP Invest XXVII, spol. s r.o. 100% E
- CTP Invest XXVIII, spol. s r.o. 100%
- CTP Invest XIII, spol. s r.o. 100% E
- CTPersonnel Bor, spol. s r.o. 100% E
- CTP Hotel Pilsen, spol. s r.o. 100%
  - → CTP Hotel Operations Pilsen, spol. s r.o. 90% (10% CTP Invest, spol. s r.o.)
- CTP Hotel Prague, a.s. 100%
  - → CTP Hotel Operations Prague, spol. s r.o. 90% (10% CTP Invest spol. s r.o.)
- CTP Beta, spol. s r.o. (CZ) 100%
  - → CTP Omega, spol. s r.o. (CZ) 100% E
- CTP Property Romania, spol. s r.o. (CZ) 100% E
- CTP Property Bulgaria, spol. s r.o. (CZ) 100% E

Bulgaria

- → CTPark Beta EOOD 100% E
- → CTPark Gamma EOOD 100% E
- → CTPark Delta EOOD 100% E

Hungary

- CTP Management Hungary Kft. 100% L
- CTP Invest Hungary Kft. 100% E
  - → CTPark Alpha Kft. 100%
  - → CTPark Beta Kft. 100%
  - → CTPark Gamma Kft. 100%
- CTPark Arrabona Kft. 100%
- CTPark Seven Kft. 100% L
- CTPark Eight Kft. 100% E
- CTPark Eleven Kft. 100% E
- HU25 CTPark Twelve Kft. 100% E

Poland

- CTP Invest Poland Sp. z o.o. 100% E
- GreenPark Resi I Sp. z o.o. 100% L
- GreenPark Resi II Sp. z o.o. 100% E
- CTPark Iłowa Sp. z o.o. 100% L
- BPROJECT 1 Sp. z o.o. 100% L
- CTP Beta Poland Sp. z o.o. 99% (1% CTP Invest Poland Sp z .o.o.) E
- CTP Gamma Poland Sp. z o.o. 100% E
- CTP Delta Poland Sp. z o.o. 100% E

Serbia

- CTP Invest doo Beograd-Novi Beograd 100% E
- CTP Property Serbia, spol. s r.o. (CZ) 100% E
  - → CTP Epsilon doo Beograd-Novi Beograd 100% E
  - → CTP Zeta doo Beograd-Novi Beograd 100% E
  - → CTP Iota doo Beograd-Novi Beograd 100% E
  - → CTP Kappa doo Beograd-Novi Beograd 100% E

Moldova

- CTP INVEST S.R.L. 100% E

Slovakia

- ABL Slovakia s.r.o. 90% (10% CTP Property Czech, spol. s r.o.) E
- AZQ Slovakia, s.r.o. 90% (10% CTP Property Czech, spol. s r.o.) E
- CTP Land SK, spol. s r.o. 90% (10% CTP Property Czech, spol. s r.o.) E
- ATH Slovakia, s.r.o. 90% (10% CTP Property Czech, spol. s r.o.) E

Ukraine

- CTPark Ukraine LLC 100% E
  - → CTPark Lviv LLC 99% (1% IQ Lviv LLC) L
  - → IQ Lviv LLC 99% (1% CTP Invest, spol. s r.o.) E

CTP CEE Properties, spol. s r.o. (CZ)

Czech Republic

- CTP Property XXVIII, spol. s r.o. 100% L
- CTP Property III, a.s., v likvidaci 100% E
- CTP Invest VII, spol. s r.o. 100%
- CTP Finance, a.s. 100% E
- CTP Infrastructure, a.s. 100% E
- CTP Invest IV, spol. s r.o. 100% E
- CTP Property XXVII spol. s r.o. 100% L
- CTP Property XXIX, spol. s r.o. 100% E
- Spielberk Business Park, spol. s r.o. 100%
- CTZone Ostrava, a.s. 100%
- CTP Property XXXI, spol. s r.o. 100% E
- CTP Property XXXII, spol. s r.o. 100% E
- Spielberk Business Park II, spol. s r.o. 100%
  - → CTP Hotel Operations Brno, spol. s r.o. 100% (RB 98.94%)

Moldova

- CTP Alpha S.R.L. 100% E

Netherlands

- Multifin B.V. 100%

Luxembourg

- → MaVo LUX S.a r.l. 100% E

Czech Republic

- → CTP Solar, a.s. 100% E

Germany

- → CTP Germany II GmbH 100%
- → Jade-Shipping Betriebs GmbH & Co. KG 100%
- → Jade-Shipping I GmbH 100%

Romania

- CTP INVEST BUCHAREST SRL 98.94% (1.06% Spielberk Business Park, spol. s r.o.) L
  - → CTPARK ALPHA SRL 100%
  - → CTPARK GAMMA SRL 99.9998% (0.0002% CTP Invest, spol. s r.o.)
  - → CTPARK DELTA SRL 95% (5% CTP Invest, spol. s r.o.)
  - → Universal Management SRL 75.25% E
- CTP CONTRACTORS SRL 99.9% (0.1% CTP Invest, spol. s r.o.) L
- CTPARK BETA SRL 99.99796% (0.00204% Spielberk Business Park, spol. s r.o.)
- CTPARK BUCHAREST SRL 93.09779111% (6.90220889% CTP Invest, spol. s r.o.)
- CTPARK KAPPA SRL 99.9% (0.1% CTP Invest, spol. s r.o.)
- CTPARK LAMBDA SRL 99.9% (0.1% CTP Invest, spol. s r.o.)
- CTPARK OMEGA SRL 99.9% (0.1% CTP Invest, spol. s r.o.)
- CTPARK THETA SRL 99.9% (0.1% CTP Invest, spol. s r.o.) E
- CTPARK PSI SRL 99.9% (0.1% CTP Invest, spol. s r.o.) L
- CTPARK TAU SRL 99.9% (0.1% CTP Invest, spol. s r.o.) L
- CTPARK ZETA SRL 99.9% (0.1% CTP Invest, spol. s r.o.) L
- CTPARK ETA SRL 99.9% (0.1% CTP Invest, spol. s r.o.)
- CTPARK EPSILON SRL90% (10% CTP Invest, spol. s r. o.) E
- CTPARK IOTA SRL 99.9% (0.1% CTP Invest, spol. s r.o.) E
- CTPARK MIU SRL 90% (10% CTP Invest, spol. s r. o.) E
- CTPARK OMICRON SRL 99.9% (0.1% CTP Invest, spol. s r.o.) E
- CTPARK RHO SRL 90% (10% CTP Property Czech, spol. s r. o.) E
- R037 CTPARK KM23 NORTH SR 99.9% (0.1% CTP Invest, spol. s r.o.) E
- CTPARK KM23 SOUTH SRL 99.9% (0.1% CTP Invest, spol. s r.o.) E
- CTPARK KM23 WEST SRL 99.9% (0.1% CTP Invest, spol. s r.o.) E

Germany

- CTP Germany GmbH 100% E
  - → DN Beteiligungs GmbH 90% (10% CTP Invest, spol. s r.o.)
  - → TGM GmbH 90% (10% CTP Invest, spol. s r.o) E

Slovenia

- CTP Ljubljana, d.o.o. 100% L
- CTPark Alpha, d.o.o. 100% E

Austria

- CTP Immobilienverwaltung GmbH 99.9% (0.1% CTP Invest, spol. s r.o.)

Bulgaria

- CTP Invest EOOD 100% E

Poland

- CTP Alpha Poland Sp. z o.o. 100%

Slovakia

- CTP Invest SK, spol. s r.o. 90% (10% CTP Holding B.V.) L
- CTP Alpha SK, spol. s r.o. 90% (10% CTP Holding B.V.)
- CTP Beta SK, spol. s r.o. 90% (10% CTP CEE Sub Holding, spol. s r.o.)
- CTP Slovakia, s. r. o. 90% (10% CTP CEE Sub Holding, spol. s r.o.)
  - → Nitra Park II, s.r.o. 90% (10% CTP CEE Sub Holding, spol. s r.o.)
- CTPark Bratislava, spol. s r.o. 85% (5% CTP Property B.V., 5% CTP CEE Sub Holding, spol. s r.o.*)
- CTPark Nitra, s.r.o. 90% (10% CTP CEE Sub Holding, spol. s r.o.)
- CTPark Nove Mesto, spol. s.r.o. 90% (5% CTP Property B.V., 5% CTP CEE Sub Holding, spol. s r.o.**)
- CTPark Košice, spol. s r.o. 90% (5% CTP Property B.V., 5% CTP CEE Sub Holding, spol. s r.o.**)
- CTPark Žilina, spol. s r.o. 90% (10% CTP Invest, spol. s r.o.)

Profit stake differs from capital stake and is as follows:

*	**
99% LU01	90% LU01
0.33% NL02	3.33% NL02
0.67% C144	6.67% C144

CTP Property B.V.

Czech Republic

- CTP CEE Sub Holding, spol. s r.o. 100% E
- CTP Portfolio Finance CZ, spol. s r.o. 100% E
  - → CTP Industrial Property CZ, spol. s r.o. 100%, Synd

Industrial Portfolio

- CTP Products I, spol. s r.o. 100%
- COPOK s.r.o. 100%
- CTP Property XVI, spol. s r.o. 100%
- Bohemia Pilz s.r.o. 100%
- CTP Invest X, spol. s r.o. 100%
- CTPark Prague West, spol. s r.o. 100%
- CTP Invest XVI, spol. s r.o. 100%
- LORNOKA REAL ESTATE, s.r.o. 100%
- CTP Property XIX, spol. s r.o. 100%
- CTP Property XX, spol. s r.o. 100%
- CTP Karviná, spol. s r.o. 100%
- CTP Invest XVII, spol. s r.o. 100%
- CTP Borská Pole, spol. s r.o.. 100%
- CTP Vysočina, spol. s r.o. 100% E
- CTPark Brno I, spol. s r.o. 100% E
- CTPark Ostrava, spol. s r.o. 100% E
- CTP Moravia South, spol. s r.o. 100% E
- CTPark Mladá Boleslav, spol. s r.o. 100% E
- CTPark Prague Airport, spol. s r.o. 100%
- CTP Solar I, a.s. 100%
- CTP Property II, a.s. 100%
- CTP Property IV s.r.o. 100%
- CTP Property V, a.s. 100%
- CTP Property IX, a.s. 100% C
- CTPark Brno II, spol. s r.o. 100%
- CTP Bohemia South, spol. s r.o. 100%
- CTP Property XIV, spol. s r.o. 100%,
- CTFinance s.r.o. 100%
- CTP Property XVIII, spol. s r.o. 100%
- CTP Invest IX, spol. s r.o. 100%
- CTP, spol. s r.o. 100%
- CTP Property XXI, spol. s r.o. 100%
- CTP Alpha, spol. s r.o. 100%
- CTPark Bor, spol. s r.o. 100%
- CTP Property XXX, spol. s r.o. 100%
- CTP Louny, spol. s r.o. 100%,
- CTP Brno II, spol. s r.o. 100%
- CTP Brno III, spol. s r.o.1 00%
- CTP Brno IV, spol. s r.o. 100%
- CTP Brno V, spol. s r.o. 100%
- CTP Divišov I, spol. s r.o. 100%
- CTP Brno I, spol. s r.o. 100%
- CTP Pohořelice I, spol. s r.o. 100%
- CTPark Brno Campus s.r.o. 100%
- CTPark Prague East, spol. s r.o. 100%
- KOMERČNÍ ZÓNA NUPAKY, s.r.o. 100%
- CTPark ladá Boleslav II, spol. s r.o. 100%
- EP Karvina s.r.o. 100%
- EP Kadan s.r.o. 100%
- CTP Solar II, a.s. 100%
- CTP Solar III, spol. s r.o. 100%

Hungary

- CTPark Ten Kft. 100%
- CTPark Nine Kft. 100%
- CTPark Delta Kft. 100%
- CTPark Biatorbágy Kft. 100%

Serbia

- CTP Alpha doo Beograd-Novi Beograd 100%
- CTP Beta doo Beograd-Novi Beograd 100% L
- CTP Gamma doo Beograd-Novi Beograd 100% L
- CTP Delta doo Beograd-Novi Beograd 100% L

Romania

- CTPARK BUCHAREST WEST I SRL 85.714286% (14.285714% CTP CEE Sub Holding, spol. s r.o.)
- DEVA LOGISTIC CENTER S.A. 89.91009% (10.08991% CTP CEE Sub Holding, spol. s r.o.)
- H.E.E. (MERCURY) PROPRIETATI SRL 89,999994% (10.000006% CTP CEE Sub Holding, spol. s r.o.)
- CENTURA PROPERTY HOLDINGS S.A. 90% (10% CTP CEE Sub Holding, spol. s r.o.)
- CTPARK PHI SRL 90% (10% CTP CEE Sub Holding, spol. s r.o.)
- CTPARK SIGMA SRL 90% (10% CTP CEE Sub Holding, spol. s r.o.)
- CTPark Bucharest A1 SRL 90% (10% CTP CEE Sub Holding, spol. s r.o.)

E Empty Shell
L Land bank

Appendix 1

CTP Group Structure

As at 31 December 2020

- Remon Leonard Vos — Person with significant control
- Stichting Administratiekantoor Multivest
  - 100% Multivest B.V.
    - 95.97% CTP Holding B.V.
  - 100% CTP Partners B.V.
    - 4.03% CTP Holding B.V.
- CTP Holding B.V.
  - 100% CTP B.V.
    - 100% CTP Invest, spol. s r.o. 100%
      - CTP CEE Properties, spol. s r.o. 100%
    - 100% CTP Property B.V.

CTP Invest, spol. s r.o.

Czech Republic

- CTP Property Czech, spol. s r.o. 100%
- CTP X, spol. s r.o. 100%
- CTPark České Budějovice II, spol. s r.o. 100%
- CTPark Brno Retail, spol. s r.o. 100%
- CTPark Brno III, spol. s r.o. 100%
- Multidisplay s.r.o. 100%
- CTPark Prague North II, spol. s r.o. 100%
- CTP XIII, spol. s r.o. 100%
- CTP XIV, spol. s r.o. 100%
- CTP Vlněna Business Park, spol. s r.o. 100%
- CTPark Plzeň, spol. s r.o. 100%
- CTP II, spol. s r.o. 100%
- CTPark Brno Líšeň East, spol. s r.o. 100%
- CTPark Prague North III, spol. s r.o. 100%
- CTP III, spol. s r.o. 100%
- CTPark Stříbro, spol. s r.o. 100%
- CTPark České Budějovice, spol. s r.o. 100%
- CTP XV, spol. s r.o. 100%
- CTP XVI, spol. s r.o. 100%
  - **Serbia**
  - → CTP Lambda doo Beograd 100%
- CTP XVII, spol. s r.o. 100%
- CTP XVIII, spol. s r.o. 100%
- CTPark Brno Líšeň II, spol. s r.o. 100%
- CTP Forest, spol. s r.o. 100%
- CTP Property Romania, spol. s r.o. v likvidaci, 100%
- CTP Property Serbia, spol. s r.o. v likvidaci, 100%
- CTP Property Bulgaria, spol. s r.o. v likvidaci, 100%
  - **Bulgaria**
  - → CTPark Beta EOOD 100%
- Clubco, spol. s r.o. 100%
- CTP XXI, spol. s r.o. 100%
- CTP Barrandov, spol. s r.o. 100%
- CTP XXII, spol. s r.o. 100%
- CTPark Lysá nad Labem, spol. s r.o. 100%
- CTP Domeq Brno, spol. s r.o. 100%
- CTP XII, spol. s r.o. 100%
- CTP XXIV, spol. s r.o. 100%
- CTP Hotel Pilsen, spol. s r.o. 100%
  - → CTP Hotel Operations Pllsen, spol. s r.o. 90%, 10% CTP Invest, spol. s r.o.
- CTP Hotel Prague, spol. s r.o. 100%
  - → CTP Hotel Operations Prague, spol.s r.o. 90%, 10% CTP Invest spol. s.r.o.
- CTPersonnel Bor, spol. s r.o. v likvidaci, 100%
- CTP Beta, spol. s r.o. v likvidaci, 100%
  - → CTP Omega, spol. s r.o. v likvidaci, 100%

Bulgaria

- CTP Gamma EOOD 100%
- CTP Delta EOOD 100%
- CTP Epsilon EOOD 100%
- CTP Zeta EOOD 100%

Hungary

- CTP Management Hungary Kft. 100%
- CTPark Eleven Kft. 100%
- CTPark Twelve Kft. 100%

Serbia

- CTP Invest doo Beograd -Novi Beograd, 100%
- CTP Zeta doo Beograd -Novi Beograd, 100%
- CTP Iota doo Beograd -Novi Beograd, 100%
- CTP Sigma doo Beograd -Novi Beograd, 100%
- CTP Omicron doo Beograd -Novi Beograd, 100%
- CTP Phi doo Beograd -Novi Beograd, 100%
- CTP Rho doo Beograd -Novi Beograd, 100%
- CTP Tau doo Beograd -Novi Beograd, 100%

Moldova

- CTP INVEST S.R.L. 100%

Slovakia

- CTPark Prešov, s.r.o. 85%, 15% CTP Property Czech, spol. s r.o.*
- CTP Gama, s. r. o. 85%, 15% CTP Property Czech, spol. s r.o.*
- CTPark Trnava II, s.r.o. 85%, 15% CTP Property Czech, spol. s r.o.*
- CTP Dunaj, s.r.o. 85%, 15% CTP Property Czech, spol. s r.o.*
- CTPark Žilina Airport II, spol. s r.o. 85%, 15% CTP Property Czech, spol. s r.o.*

* profit stake differs from capital stake and is as follows: 90% C001, 10% C002

Spain

- Global Guanaco, S.L.U. 100%

Poland

- CTP Invest Poland Sp. z o.o. 100%
- CTP Eta Poland Sp. z o.o. 100%
- CTP Theta Poland Sp. z o.o. 100%
- CTPark Iłowa Sp. z o.o. 100%
- CTPark Zabrze Sp. z o.o. 100%
- CTP Beta Poland Sp. z o.o. 100%
- CTP Delta Poland Sp. z o.o. 100%
- CTP Gamma Poland Sp. z o.o. 100%
- CTP Zeta Poland Sp. z o.o. 100%
- CTP Epsilon Poland Sp. z o.o. 100%

Austria

- CTP Invest Immobilien GmbH 100%
- CTP Alpha GmbH 100%
- CTP Gamma GmbH 100%
- CTP Delta GmbH 100%
- CTP Epsilon GmbH 100%
- CTP Zeta GmbH 100%

Netherlands

- CTP Baltic Holding B.V. 100%
  - **Latvia**
  - → Samesova SIA 100%
  - → Vojtova SIA 100%
  - → Zemankova SIA 100%
  - **Lithuania**
  - → UAB Samesova 100%
  - → UAB Vojtova 100%
  - → UAB Zemankova 100%
- CTP Turkish Holding B.V. 100%
  - **Turkey**
  - → CTP ALPHA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ 100%
  - → CTP BETA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ 100%
- CTP Mediterranean Holding B.V. 100%

CTP CEE Properties, spol. s r.o. 100%

Czech Republic

- CTP V, spol. s r.o. 100%
- CTP IQ Ostrava, spol. s r.o. 100%
- CTP Finance, spol. s r.o. v likvidaci, 100%
- CTP Infrastructure, spol. s r.o. v likvidaci, 100%
- CTP XI, spol. s r.o. 100%
- CTP IV, spol. s r.o. 100%
- CTP VI, spol. s r.o. 100%
- Spielberk Business Park, spol. s r.o. 100%
- CTZone Ostrava, spol. s r.o. 100%
- CTP VII, spol. s r.o. 100%
- CTP VIII, spol. s r.o. 100%
- Spielberk Business Park II, spol. s r.o. 100%
  - → CTP Hotel Operations Brno, spol. s r.o. 100%

Austria

- CTP Beta GmbH 99%, 1% CTP Invest, spol. s r.o.

Bulgaria

- CTP Invest EOOD 100%

Germany

- CTP Germany GmbH 100%
  - → CTP Germany V GmbH 90%, 10% CTP Invest, spol. s r.o.
  - → CTP Germany VI GmbH 90%, 10% CTP Invest, spol. s r.o.

Moldova

- CTP Alpha S.R.L. 100%

Poland

- CTPark Opole Sp. z o.o. 100%

Romania

- CTP INVEST BUCHAREST SRL 98.94%, 1.06% Spielberk Business Park,spol. s r.o.
  - → Universal Management SRL 75.25%
  - → CTPARK MANAGEMENT TURDA SRL 100%
  - → CTPARK MANAGEMENT AFUMATI SRL 100%
- CTPARK THETA SRL 99.9%, 0.1% CTP Invest, spol. s r. o.
- CTPARK PSI SRL 99.9%, 0.1% CTP Invest, spol. s r. o.
- CTPARK ZETA SRL 99.9%, 0.1% CTP Invest, spol. s r. o.
- CTPARK EPSILON SRL 90%, 10% CTP Invest, spol. s r. o.
- CTPARK IOTA SRL 90%, 10% CTP Invest, spol. s r. o.
- CTPARK MIU SRL 90%, 10% CTP Invest, spol. s r. o.
- CTPARK OMICRON SRL 90%, 10% CTP Invest, spol. s r. o.
- CTPARK RHO SRL 90%, 10% CTP Property Czech, spol. s r.o.
- CTPARK KM23 NORTH SRL 90%, 10% CTP Invest, spol. s r. o.
- CTPARK KM23 SOUTH SRL 90%, 10% CTP Invest, spol. s r. o.
- CTPARK KM23 WEST SRL 90%, 10% CTP Invest, spol. s r. o.

Slovakia

- CTP Invest SK, spol. s r.o. 90%, 10% CTP Holding B.V.
- CTPark Čierny Les, spol. s r.o. 90%, 10% CTP Invest, spol. s r.o.

Slovenia

- CTP Ljubljana, d.o.o. 100%
- CTPark Alpha, d.o.o. 100%

Netherlands

- Multifin B.V. 100%
  - **Czech Republic**
  - → CTP I, spol. s r.o. v likvidaci, 100%
    - → CTP Solar, a.s. v likvidaci, 100%
  - **Germany**
  - → CTP Germany II GmbH 100%
  - → CTP Germany IV GmbH & Co. KG 100%
  - → CTP Germany III GmbH 100%

CTP Property B.V.

Netherlands

- CTP Portfolio Finance Czech B.V. 100%
  - **Czech Republic**
  - → CTPark Bor, spol. s r.o. 100%
  - → CTPark Modřice, spol. s r.o. 100%

Czech Republic

- CTP CEE Sub Holding, spol. s r.o. 100% E
- CTPark České Velenice, spol. s r.o. 100%
- CTP XIX, spol. s r.o. 100% E
  - → CTP Valkenburg s r.o. 100%

Czech Industrial Portfolio

- CTP Portfolio Finance CZ, spol. s r.o. 100%
  - → CTP Industrial Property CZ, spol. s r.o. 100%
- CTPark Prague West, spol. s r.o. 100%
- CTP Borská Pole, spol. s r.o.. 100%
- CTP Vysočina, spol. s r.o. 100%
- CTPark Brno I, spol. s r.o. 100%
- CTPark Ostrava, spol. s r.o. 100%,
- CTP Moravia South, spol. s r.o. 100%
- CTPark Mladá Boleslav, spol. s r.o. 100%
- CTP Bohemia North, spol. s r.o. 100%
- CTPark Brno Líšeň West, spol. s r.o. 100%
- CTP Moravia North, spol. s r.o. 100%
- CTP Pilsen Region, spol. s r.o. 100%
- CTP Bohemia West, spol. s r.o. 100%
- CTPark Ostrava Poruba, spol. s r.o. 100%
- CTPark Hranice, spol. s r.o. 100%
- CTP XXIII, spol. s r.o. 100%
- CTPark Prague Airport, spol. s r.o. 100%
- CTPark Prague East, spol. s r.o. 100%
- CTP Ponávka Business Park, spol. s r.o. 100%
- CTP Solar I, a.s. 100%
- CTPark Brno II, spol. s r.o. 100%
- CTP Bohemia South, spol. s r.o. 100%
- CTP Alpha, spol. s r.o. 100%
- CTP Solar II, a.s. 100%
- CTP Solar III, spol. s r.o. 100%

Romania

- CTP CONTRACTORS SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK ALPHA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK BETA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK GAMMA SRL 90%,10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK DELTA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK BUCHAREST SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK BUCHAREST WEST I SRL 85.71%, 14.28% CTP CEE Sub Holding, spol. s r.o.
- CTPARK DEVA II S.A. 89.91%, 10.09% CTP CEE Sub Holding, spol. s r.o.
- CTPARK BUCHAREST WEST II SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK KAPPA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK BUCHAREST II SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK LAMBDA SRL 90%,10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK OMEGA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK PHI SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK SIGMA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK TAU SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK ETA SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Bucharest A1 SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPARK BUCHAREST UPSILON SRL 90%, 10% CTP CEE Sub Holding, spol. s r.o.

Slovakia

- CTP Alpha SK, spol. s r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Krásno nad Kysucou, spol. s r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTP Slovakia, s. r. o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Bratislava, spol. s r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Hlohovec, spol. s r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Nitra, spol. s r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Nove Mesto, spol. s.r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Košice, spol. s r.o. 90%, 10% CTP CEE Sub Holding, spol. s r.o.
- CTPark Žilina Airport, spol. s r.o. 85%, 15% CTP Property Czech, spol. s r.o.

Serbia

- CTP Alpha doo Beograd -Novi Beograd, 100%
- CTP Beta doo Beograd -Novi Beograd, 100%
- CTP Gamma doo Beograd -Novi Beograd, 100%
- CTP Delta doo Beograd -Novi Beograd, 100%
- CTP Epsilon doo Beograd -Novi Beograd, 100%
  - → LogMaxx Beta, d.o.o. 100%
- CTP Kappa doo Beograd -Novi Beograd, 100%

Hungary

- CTP Invest Hungary Kft. 100%
  - → CTPark Alpha Kft. 100%
  - → CTPark Beta Kft. 100%
  - → CTPark Gamma Kft. 100%
- CTPark Delta Kft. 100%
- CTPark Biatorbágy Kft. 100%
- CTPark Arrabona Kft. 100%
- CTPark Seven Kft. 100%
- CTPark Eight Kft. 100%
- CTPark Ten Kft. 100%
- CTPark Nine Kft. 100%

VALUATION REPORT

Prepared for: CTP B.V.

Van Deventerlaan 31, 3528 AG Utrecht, The Netherlands

Valuation Report

“CTP Real Estate Portfolio“

Date of Valuation: 31 December 2020

Valuation Report, CTP Real Estate Portfolio, as at 31 December 2020

The valuation of the subject portfolio as specified below has been prepared by Jones Lang LaSalle, s.r.o. ("JLL") in accordance with the International Standards for the Valuation of Real Estate for Investment Purposes (International Valuation Standards), the Valuation Standards of the Royal Institution of Chartered Surveyors (as per the Red Book) and the International Financial Reporting Standards (IFRS). The assessment of market value as at the date of valuation has been carried out by JLL for properties directly held by CTP B.V. ("client").

The portfolio consists of 400 standing assets, 35 development properties and 89 land sites located in the Czech Republic, Romania, Hungary, Slovakia, Serbia, Poland, Bulgaria, Slovenia and Austria. The properties are all held freehold.

Client

CTP B.V.

Van Deventerlaan 31

3528 AG Utrecht

The Netherlands

Valuer

Jones Lang LaSalle, s.r.o.

Na Příkopě 21, 110 00 Praha 1

Czech Republic

Date of Valuation

31 December 2020

Date of Valuation Report

26 February 2021

Valuation Report of CTP Real Estate Portfolio as at 31 December 2020

Summary of Valuation Results

Market Value

JLL is of the opinion that the aggregate of the individual Market Values of the respective interests in the properties in the **CTP Real Estate Portfolio**, based on the information provided by the client and subject to the assumptions and comments detailed in sections 5 and 6 of this report, as at the effective date of valuation 31 December 2020 was as follows:

€ 5,693,671,000

(FIVE BILLION, SIX HUNDRED NINETY-THREE MILLION, SIX HUNDRED SEVENTY-ONE THOUSAND EUROS)

Market Value of standing Properties:	€ 5,036,361,000
Market Value of Development Properties:	€ 335,110,000
Market Value of Land Bank:	€ 322,200,000

The above figure represents the aggregate of the individual property market values and is understood as the value without regard to ancillary purchase related costs (legal costs, agent's fees and where applicable land transfer tax) normally incurred by the purchaser. No allowance has been made for any expenses of realisation or for taxation and no allowance whether an addition or reduction has been made in the case of a sale of the portfolio as a whole which may arise in the event of a disposal.

For the majority of the properties contained in the portfolio, rental information was provided to us within the tenancy schedules provided by the Client in Euro denomination and we have therefore valued the properties directly in Euros and not in local currency. For a small proportion of the portfolio, rental income information was provided to us in local currency as at 30 September 2020 and we applied currency conversion rates prevailing at that time.

Valuation Report of CTP Real Estate Portfolio as at 31 December 2020

Contents

Valuation Report of CTP Real Estate Portfolio as at 31 December 2020

1 Brief and Scope of Instruction

1.1 Instruction

In accordance with the engagement Letter dated 15 December 2020, JLL has assessed the Market Value of the respective freehold interests in the properties as at 31 December 2020.

We understand that this valuation report is required in order to confirm the Market Value of the real estate assets as at the date of valuation for CTP B.V.

This valuation report covers all material assumptions of all relevant valuations.

1.2 Addressee

The valuation report is addressed to and may be relied upon only by CTP B.V., Van Deventerlaan 31, 3528 AG Utrecht, The Netherlands.

The valuation report is intended solely for the use of the addressee for the purpose as specified herein.

1.3 Valuer and Status of Valuer

We confirm that JLL has undertaken the valuation acting as external and independent valuers, as defined by the RICS Valuation – Global Standards and the 'International Valuation Standards' (IVS), qualified for the purpose of the valuation.

The Director with overall responsibility for the matter is Jan Zibura MRICS, Senior Director, under supervision of Malgorzata Zoltowska MRICS, executive Director and Head of Valuations CEE and Arnold de Bue MRICS, executive Director and Head of EMEA Industrial & Logistics valuations.

The valuations have been prepared and carried out by experienced members of the JLL Valuation Advisory teams in the relevant countries, namely by Jan Zibura MRICS, Alina Cojocaru MRICS, Barbora Dermekova MRICS, Jaroslav Kopac MRICS and Marek Jamro MRICS.

1.4 Previous Involvement

In December 2019 and June 2020, JLL valued the subject portfolio for the Client for financial reporting purposes.

We have disclosed this previous involvement to the Client and received confirmation of consent to undertake this valuation for the purpose outlined below.

1.5 European Securities and Markets Authority (ESMA) guideline statement

We confirm that this valuation letter is based on the definition of the ESMA guidelines update of the CESR recommendations - The consistent Implementation of Commission Regulation (EC) No 809/2004 Implementing the Prospectus Directive, dated 20 March 2013).

According to the ESMA guidelines we confirm the following:

- JLL has acted as an independent expert.
- The individual properties were inspected during 2019 and 2020.
- The valuation is based on the date of valuation being 31 December 2020. According to information provided by the addressee to this valuation letter, no significant changes have occurred between the date of valuation and the publication of this valuation report.

- A statement about differences of the valuation figures included in this valuation report to corresponding figures in the latest individual annual accounts or consolidated accounts cannot be made as would otherwise be required under paragraph 130(vi) the ESMA update of the CESR recommendations for the reasons set out below. Given the differences in the assets comprised in the portfolio between the two dates it is not possible to include a statement about the difference in the valuation figures set out in this valuation report compared to corresponding figures in the latest individual annual or consolidated company accounts.

  The Company published its latest consolidated accounts as of 30 June 2020. As of the date of its latest published consolidated accounts, the portfolio comprised a different number of properties than as at 31 December 2020. The portfolio of standing properties was increased by new acquisitions and completed development projects. The portfolio of development properties as at 31 December 2020 was also different to that as at 30 June 2020 as a number of development properties had been completed and construction had commenced at some developments after 30 June 2020. The land bank portfolio was expanded by new acquisitions and some land sites were utilized for the construction of development properties.

- Finally, we confirm that JLL is not aware of any actual or potential conflict of interest that may have influenced its status as external or independent valuer.

1.6 Purpose and Publication

JLL acknowledges and agrees that the valuation is required for financial reporting purposes of the Company and for inclusion in a prospectus and any supplementary prospectus related to the Transaction, if applicable (a “Supplementary Prospectus”) subject to the approval of the AFM (Autoriteit Financiële Markten) and to be issued by the Company (the “Prospectus”) in connection with the Company’s initial public offering (the “Transaction”) and listing of the Company’s ordinary shares on Euronext Amsterdam (Euronext N.V.).

1.7 Assignment of Rights to Third Parties

The addressee of the valuation report is not entitled to assign its rights – either in whole or in part – to third parties. However, JLL acknowledges and agrees that the Valuation Report will appear in unchanged and signed form in the securities prospectus and that investors may rely on it.

1.8 Scope of Work

The scope of work carried out for the assessment of the Market Value has included the following processes:

- Analysis and evaluation of the provided property information (e.g. rent roll, OPEX, CAPEX, etc.),
- Market and locational analysis of the properties,
- Determination of Market Value.

1.9 Subject of Valuation

The portfolio consists of 400 standing assets, 35 development properties and 89 land sites located in the Czech Republic, Romania, Hungary, Slovakia, Serbia, Poland, Bulgaria, Slovenia and Austria. The properties are all held freehold.

1.10 Basis of Valuation

Our valuation has been prepared in accordance with the RICS Valuation – Global Standards (current Edition) published by the Royal Institution of Chartered Surveyors as well as the current standards contained within the International Valuation Standards (IVS) on the basis of Market Value.

Market Value is defined as:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

The full definition and explanation of Market Value is included in Appendix 4 of this valuation report.

Market Value is understood as the value of the property estimated without regard to cost of sale or purchase, and without offset for any associated taxes. Therefore, no allowances have been made for any expenses of realisation, or for taxation, which might arise in the event of a disposal. We do not consider any liabilities of the owner in respect of taxes, one-time or recurring public or private fees, duties or local taxes and charges.

The report is subject to, and should be read in conjunction with, the attached General Terms and Conditions of Business and our General Principles Adopted in the Preparation of Valuations and Reports which are attached in Appendices 2 and 3.

We have assumed that in the event of a sale of the properties within the portfolio, they would be marketed in an orderly manner and would not all be placed on the market at the same time.

1.11 Date of Valuation

For the purpose of our valuation, the date of valuation has been set as 31 December 2020.

1.12 Plausibility Check

JLL was provided with tenancy schedules for each standing property by the client, dated 1 December 2020, containing information on the individual properties such as location, leased area, current rent (provided mainly in Euro denomination), tenant incentives, start end expiry date of the lease, details of possible breaks of the lease, penalty for exercising the break option, rent indexation and how indexation is applied.

The accuracy of all the documents containing the information summarised above has been confirmed by the client. We have assumed that the information the client has supplied to us in respect to the subject portfolio is complete, correct and up to date.

JLL has carried out a verification of the data provided to us based on qualified samples, which were then checked for accuracy and plausibility. No abnormalities were detected in the results. Furthermore, land register extracts and cadastral maps have been made available. These documents were sampled and checked for plausibility accordingly, whereby JLL again detected no abnormalities.

We have assumed the accuracy of the documents that have been provided to us by the client and that all such documents have been verified by the client. Should any information provided to us subsequently prove to be incorrect we reserve the right to amend our valuations accordingly.

1.13 Site Inspections

Due to our previous involvement JLL is familiar with around 75%-80% of the properties in the portfolio. We undertook internal and external inspections of these properties during 2019 and 2020. For the majority of the remaining assets JLL has undertaken external only inspections.

Due to restrictions during the COVID-19 pandemic, internal inspections were not advised or possible in most of the countries. The combination of previous internal inspections and new external only inspections is estimated to have covered a minimum of 95% of the assets. The remainder has been valued on a desktop basis utilizing information available in our systems and records and existing knowledge of the locations.

We must state that, for those properties where we have not inspected internally or have valued only “from the desk”, our valuations are based on restricted information. We have been wholly reliant on the information provided to us in relation to these properties. Valuations undertaken without a full inspection are inherently less reliable than those with a full inspection and this valuation has been undertaken on the assumption that there is nothing that would be discovered upon inspection that would have an adverse effect upon our opinion of value. Consequently, whilst we have undertaken our due diligence carefully and professionally, less certainty –and a higher degree of caution – should be attached to our valuation than would normally be the case.

1.14 Currency

All prices and values are shown in euros. For the majority of the properties contained in the portfolio, rental information was provided to us in Euro denomination and we have therefore valued the properties directly in Euro denomination and not in local currency. The client applied an exchange rate to the small proportion of rental income received in local currency as at 30 September 2020 and there is therefore inherently a currency risk attached to our valuations of these properties.

The conversion rates adopted in the provided tenancy schedules were as follows;

- 27.23 (CZK → EUR)
- 4.87 (RON → EUR)
- 365.53 (HUN → EUR)

1.15 Rounding

Due to the calculation basis, marginal differences can occur in the rounding of the numbers (€, %, etc.).

1.16 Departures from the Valuation Standards

In the valuation we have made the following departures from the Valuation Standards.

According to VPS3 2.1 (m), irrespective of the location of the client, valuations must be made in the currency of the country in which the asset or liability is located. For the very small proportion of properties where rents are not denominated and paid in Euros, we have valued the properties directly in Euros and not in the respective local currency.

According to the VPS3 2.1 (m), where the client requires the valuation to be translated into a different currency (for example, into the reporting currency), unless agreed otherwise the exchange rate to be adopted is the closing rate on the valuation date. The client provided tenancy schedules to us for the purpose of the valuation that, for the very small proportion of properties where rents are not denominated and paid in Euros, utilized exchange rates applicable as at 30 September 2020. The applicable exchange rates are summarized in section 1.14 of this report.

1.17 Market conditions explanatory note: Novel Coronavirus (COVID-19)

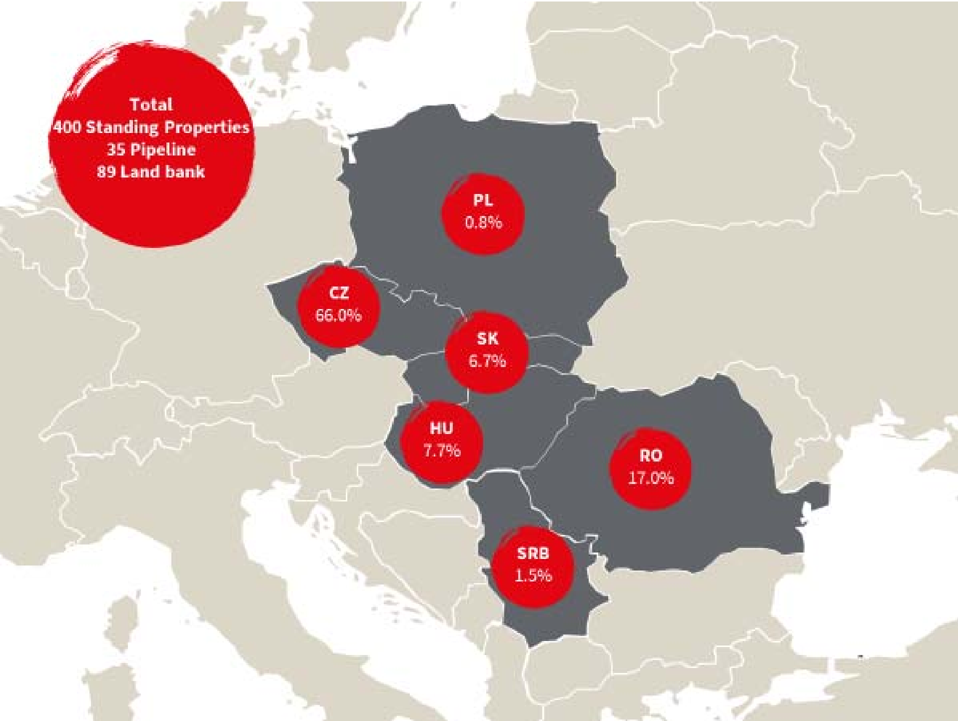
The outbreak of COVID-19, declared by the World Health Organization as a “Global Pandemic” on the 11 March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, “lockdowns” have been applied to varying degrees and to reflect further “waves” of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to ‘material valuation uncertainty’ as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

2 Portfolio-Overview

2.1 Local distribution

The portfolio consists of 400 standing assets, 35 development properties and 89 land sites located in the Czech Republic, Romania, Hungary, Slovakia, Serbia, Poland, Bulgaria, Slovenia and Austria. The locations of the portfolio are depicted in red on the following map:



The distribution is also described it the table below.

Location Distribution

Location	Standing Properties*	Development Properties*	Land bank	Total number of Properties	% of MV
Czech Republic	244	20	48	312	66.0%
Romania	75	4	20	99	17.0%
Hungary	27	4	5	36	7.7%
Slovakia	46	6	9	61	6.7%
Serbia	5	1	2	8	1.5%
Poland	2	-	3	5	0.8%
Bulgaria	0	-	1	1	0.1%
Slovenia	0	-	1	1	0.1%
Austria	1	-	0	1	0.0%
TOTAL	**400**	**35**	**89**	**524**	

* The properties are defined either as stand-alone building or extensions. The list of properties is presented in Appendix 1.

2.2 Standing Portfolio

2.2.1 Overview

The standing portfolio consists of 400 properties with a total lettable area of 5,812,955 sq. m. The portfolio includes 360 industrial, 33 office and 7 other properties. Other properties include buildings such as student housing or parking accommodation. All properties are owned freehold by the client.

The distribution according accommodation type is set out in the table below.

Type of the Premises	Number of properties	Gross Lettable Area (sq m)	Share of Market Value on Standing Portfolio as of 31st December 2020
Industrial	360	5,510,314	88.3%
Office	33	272,752	11.2%
Other	7	35,175	0.5%
TOTAL	**400**	**5,812,955**	**100.00%**

The majority of the properties within the portfolio are purpose built modern premises that have been constructed since 2000. A small portion of the portfolio comprises refurbished properties.

The portfolio is located across CEE with the majority being located in the Czech Republic, Romania, Hungary and Slovakia. The majority of properties are strategically located on major transport hubs and the locations are characterized by an available and high-quality labour force.

The portfolio is diversified in terms of its tenant's operations varying by industry, from logistics, through to the automotive industry. The covenant strength of the majority of the tenants is considered to be good to high.

2.2.2 Accommodation

The table below set out the lettable and vacant area within each of the properties in the portfolio by country.

Portfolio Overview

Country	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)*
Czech Republic	244	3,181,398	240,989
Romania	75	1,539,259	223,005
Hungary	27	528,269	58,822
Slovakia	46	429,313	13,653
Serbia	5	90,991	6,952
Poland	2	42,347	11,308
Austria	1	1,380	-
TOTAL	**400**	**5,812,955**	**554,730**

* The occupancy and vacancy are based on concluded lease agreements or future lease agreements that were included in the provided tenancy schedules. The occupancy and vacancy exclude heads of terms with potential tenants.

Czech Republic

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**244**	**3,181,398**	**240,989**
Barrandov		**1**	**4,716**	**4,257**
	Other	1	4,716	4,257
CTPark Aš		**2**	**34,952**	**0**
	Industrial	2	34,952	0
CTPark Blatnice		**1**	**27,862**	**11,691**
	Industrial	1	27,862	11,691
CTPark Blučina		**2**	**17,572**	**3,705**
	Industrial	2	17,572	3,705
CTPark Bor		**13**	**417,035**	**14,607**
	Industrial	12	416,259	14,081
	Office	1	776	526
CTPark Brno I		**17**	**258,566**	**29,595**
	Industrial	15	223,873	29,595
	Office	1	22,694	0
	Other	1	12,000	0
CTPark Brno II		**12**	**248,913**	**4,094**
	Industrial	11	239,107	4,094
	Office	1	9,806	0
CTPark Brno Líšeň		**1**	**7,640**	**0**
	Industrial	1	7,640	0
CTPark Brno Líšeň II		**1**	**11,199**	**2,965**
	Industrial	1	11,199	2,965
CTPark Brno South		**3**	**53,329**	**1,023**
	Industrial	3	53,329	1,023
CTPark Cerhovice		**1**	**19,063**	**10,153**
	Industrial	1	19,063	10,153
CTPark Česká Lípa		**2**	**27,894**	**14**
	Industrial	2	27,894	14
CTPark České Velenice		**1**	**3,266**	**0**
	Industrial	1	3,266	0
CTPark Divišov		**2**	**42,246**	**8,292**
	Industrial	2	42,246	8,292
CTPark Hlubočky		**1**	**40,545**	**0**
	Industrial	1	40,545	0
CTPark Hranice		**15**	**136,390**	**29,825**
	Industrial	15	136,390	29,825
CTPark Humpolec		**12**	**71,555**	**83**
	Industrial	10	67,250	83
	Office	1	1,323	0
	Other	1	2,982	0
CTPark Jihlava		**3**	**31,024**	**0**
	Industrial	3	31,024	0
CTPark Kadaň		**4**	**63,158**	**16,369**
	Industrial	4	63,158	16,369
CTPark Karviná		**2**	**41,631**	**0**

	Industrial	2	41,631	0
CTPark Kvasiny		**1**	**20,901**	**0**
	Industrial	1	20,901	0
CTPark Liberec		**1**	**8,447**	**0**
	Industrial	1	8,447	0
CTPark Lipník nad Bečvou		**1**	**6,852**	**917**
	Industrial	1	6,852	917
CTPark Louny		**1**	**12,016**	**0**
	Industrial	1	12,016	0
CTPark Mladá Boleslav		**5**	**73,910**	**0**
	Industrial	5	73,910	0
CTPark Mladá Boleslav II		**5**	**41,451**	**3,528**
	Industrial	5	41,451	3,528
CTPark Modřice		**19**	**204,768**	**12,047**
	Industrial	17	193,731	4,526
	Office	2	11,037	7,521
CTPark Most		**1**	**13,832**	**0**
	Industrial	1	13,832	0
CTPark Nošovice		**1**	**8,908**	**0**
	Industrial	1	8,908	0
CTPark Nový Jičín		**7**	**68,717**	**2,573**
	Industrial	7	68,717	2,573
CTPark Okříšky		**1**	**21,043**	**0**
	Industrial	1	21,043	0
CTPark Ostrava		**31**	**377,178**	**17,213**
	Industrial	27	354,678	11,898
	Office	4	22,500	5,315
CTPark Pardubice		**2**	**37,389**	**0**
	Industrial	2	37,389	0
CTPark Planá nad Lužnicí		**1**	**29,776**	**0**
	Industrial	1	29,776	0
CTPark Plzeň		**2**	**39,742**	**0**
	Industrial	2	39,742	0
CTPark Pohořelice		**5**	**114,773**	**469**
	Industrial	5	114,773	469
CTPark Prague Airport		**5**	**58,833**	**8,795**
	Industrial	4	56,814	8,125
	Office	1	2,019	670
CTPark Prague East		**6**	**75,819**	**8,533**
	Industrial	5	69,758	3,384
	Office	1	6,061	5,149
CTPark Prague West (Chrášťany)		**1**	**5,626**	**0**
	Industrial	1	5,626	0
CTPark Přeštice		**3**	**37,329**	**211**
	Industrial	3	37,329	211
CTPark Ústí nad Labem		**1**	**9,714**	**0**
	Industrial	1	9,714	0
CTPark Zákupy		**2**	**19,470**	**0**
	Industrial	1	15,881	0

	Office	1	3,589	0
CTPark Žatec		**2**	**80,710**	**5,196**
	Industrial	2	80,710	5,196
CTPark Žatec II		**1**	**3,189**	**343**
	Industrial	1	3,189	343
CTZone Ostrava		**12**	**6,889**	**2,441**
	Industrial	9	4,586	1,334
	Office	1	1,443	742
	Other	2	860	365
IQ Ostrava		**1**	**26,120**	**786**
	Office	1	26,120	786
Kutná Hora		**1**	**11,882**	**11,882**
	Industrial	1	11,882	11,882
Lysá nad Labem		**1**	**4,971**	**447**
	Industrial	1	4,971	447
Ponávka		**18**	**70,481**	**9,956**
	Industrial	11	32,811	3,009
	Office	6	31,068	6,947
	Other	1	6,602	0
Spielberk Office Centre		**7**	**87,337**	**13,264**
	Office	7	87,337	13,264
Vlněná		**3**	**44,767**	**5,714**
	Office	3	44,767	5,714

Romania

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**75**	**1,539,259**	**223,005**
CTPark Alpha Cluj		**2**	**29,658**	**4,518**
	Industrial	2	29,658	4,518
CTPark Alpha Deva		**2**	**21,332**	**640**
	Industrial	1	20,692	0
	Office	1	640	640
CTPark Beta Arad		**2**	**51,906**	**1,331**
	Industrial	2	51,906	1,331
CTPark Beta Caras-Severin		**1**	**8,524**	**0**
	Industrial	1	8,524	0
CTPark Beta Timisoara		**2**	**20,306**	**0**
	Industrial	2	20,306	0
CTPark Beta Turda		**2**	**10,364**	**63**
	Industrial	2	10,364	63
CTPark Bucharest		**8**	**146,381**	**15,136**
	Industrial	8	146,381	15,136
CTPark Bucharest A1		**21**	**173,294**	**44,865**
	Industrial	21	173,294	44,865
CTPark Bucharest Gamma		**4**	**106,540**	**31,175**
	Industrial	4	106,540	31,175
CTPark Bucharest II		**1**	**21,954**	**0**

	Industrial	1	21,954	0
CTPark Bucharest Upsilon		**3**	**57,423**	**6,763**
	Industrial	3	57,423	6,763
CTPArk Bucharest West II		**4**	**73,295**	**19,953**
	Industrial	4	73,295	19,953
CTPark Delta Ineu		**1**	**22,482**	**0**
	Industrial	1	22,482	0
CTPark Delta Salonta		**2**	**14,140**	**0**
	Industrial	2	14,140	0
CTPark Kappa		**1**	**38,226**	**0**
	Industrial	1	38,226	0
CTPark Lambda Sibiu		**1**	**13,373**	**0**
	Industrial	1	13,373	0
CTPArk Pitesti		**3**	**49,563**	**0**
	Industrial	3	49,563	0
CTPark Sigma Timisoara		**1**	**32,448**	**0**
	Industrial	1	32,448	0
CTPark Tau Sibiu		**1**	**13,569**	**4,959**
	Industrial	1	13,569	4,959
CTPark Theta Stefanesti		**1**	**20,856**	**10,413**
	Industrial	1	20,856	10,413
CTPark West I		**10**	**587,656**	**83,189**
	Industrial	10	587,656	83,189
Deva Logistics Center		**2**	**25,969**	**0**
	Industrial	2	25,969	0

Hungary

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**27**	**528,269**	**58,822**
CTPark Arrabona		**3**	**29,872**	**1,253**
	Industrial	3	29,872	1,253
CTPark East		**3**	**103,801**	**4,199**
	Industrial	3	103,801	4,199
CTPark Győr		**1**	**11,065**	**116**
	Industrial	1	11,065	116
CTPark Komárom		**2**	**62,492**	**40,589**
	Industrial	2	62,492	40,589
CTPark South		**1**	**22,803**	**0**
	Industrial	1	22,803	0
CTPark Székesfehérvár		**1**	**25,997**	**156**
	Industrial	1	25,997	156
CTPark Szombathely		**1**	**19,282**	**0**
	Industrial	1	19,282	0
CTPark Tatabánya		**4**	**51,958**	**432**
	Industrial	4	51,958	432
CTPark West		**11**	**200,999**	**12,078**
	Industrial	10	199,427	11,348
	Office	1	1,572	730

Slovakia

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**46**	**429,313**	**13,653**
Bratislava		**1**	**8,014**	**5,094**
	Other	1	8,014	5,094
CTPark Bratislava		**15**	**117,004**	**4,491**
	Industrial	15	117,004	4,491
CTPark Hlohovec		**2**	**29,188**	**0**
	Industrial	2	29,188	0
CTPark Kosice		**6**	**58,065**	**4,068**
	Industrial	6	58,065	4,068
CTPark Krasno nad Kysucou		**1**	**10,617**	**0**
	Industrial	1	10,617	0
CTPark Nitra		**3**	**34,985**	**0**
	Industrial	3	34,985	0
CTPark Nove Mesto nad Vahom		**2**	**17,161**	**0**
	Industrial	2	17,161	0
CTPark Trnava		**10**	**101,959**	**0**
	Industrial	10	101,959	0
CTPark Voderady		**2**	**25,994**	**0**
	Industrial	2	25,994	0
CTPark Zilina		**4**	**26,326**	**0**
	Industrial	4	26,326	0

Serbia

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**5**	**90,991**	**6,952**
CTPark Beograd North		**1**	**19,410**	**6,861**
	Industrial	1	19,410	6,861
CTPark Beograd West		**2**	**23,387**	**0**
	Industrial	2	23,387	0
CTPark Kragujevac		**1**	**24,177**	**91**
	Industrial	1	24,177	91
CTPark Novi Sad		**1**	**24,017**	**0**
	Industrial	1	24,017	0

Poland

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**2**	**42,347**	**11,308**
CTPark Opole		**2**	**42,347**	**11,308**
	Industrial	2	42,347	11,308

Austria

Location	Use	Number of Properties	Gross Lettable Area (sqm)	Vacant Area (sqm)
Total		**1**	**1,380**	**0**
Deuchendorf, Austria		**1**	**1,380**	**0**
	Industrial	1	1,380	0

2.2.3 Tenancies

An overview of the tenancies in the portfolio (in terms of area occupied and rental income received) is set out in the tables below.

Area and income summary - Portfolio

Location	Total area (sqm)	Occupied (sqm)	Occupied* (%)	Vacant (sqm)	Vacant (%)	Income (€ p.a.)	ERV (€ p.a.)
Czech Republic	3,181,398	2,940,409	92%	240,989	8%	199,845,884	199,430,113
Romania	1,539,259	1,316,254	86%	223,005	14%	62,703,478	73,274,834
Hungary	528,269	469,446	89%	58,822	11%	24,191,507	26,023,417
Slovakia	429,313	415,660	97%	13,653	3%	25,036,832	21,735,943
Serbia	90,991	84,039	92%	6,952	8%	5,328,508	5,118,405
Poland	42,347	31,038	73%	11,308	27%	1,834,812	2,164,481
Austria	1,380	1,380	100%	0	0%	171,700	171,684
TOTAL	**5,812,955**	**5,258,226**	**90.5%**	**554,730**	**9.5%**	**319,112,721**	**327,918,877**

* The occupancy is based on concluded lease agreements or future lease agreements.

Area and income summary – Czech Republic

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**199,845,884**	**16,159,951**	**199,430,113**
Barrandov		**70,189**	**334,509**	**381,630**
	Other	70,189	334,509	381,630
CTPark Aš		**1,781,598**	**0**	**1,759,204**
	Industrial	1,781,598	0	1,759,204
CTPark Blatnice		**786,630**	**540,124**	**1,298,368**
	Industrial	786,630	540,124	1,298,368
CTPark Blučina		**867,425**	**191,554**	**997,842**
	Industrial	867,425	191,554	997,842
CTPark Bor		**21,354,479**	**794,424**	**21,894,433**
	Industrial	21,326,973	777,000	21,847,009
	Office	27,506	17,424	47,424

CTPark Brno I		**17,713,921**	**1,787,012**	**17,378,864**
	Industrial	14,282,963	1,754,612	14,170,731
	Office	3,206,900	0	2,940,833
	Other	224,057	32,400	267,300
CTPark Brno II		**14,979,376**	**244,518**	**14,727,319**
	Industrial	14,061,980	244,518	14,127,787
	Office	917,396	0	599,532
CTPark Brno Líšeň		**510,600**	**0**	**474,804**
	Industrial	510,600	0	474,804
CTPark Brno Líšeň II		**341,624**	**103,182**	**444,806**
	Industrial	341,624	103,182	444,806
CTPark Brno South		**3,290,852**	**83,400**	**3,192,612**
	Industrial	3,290,852	83,400	3,192,612
CTPark Cerhovice		**942,652**	**523,458**	**1,084,635**
	Industrial	942,652	523,458	1,084,635
CTPark Česká Lípa		**1,750,301**	**714**	**1,638,264**
	Industrial	1,750,301	714	1,638,264
CTPark České Velenice		**173,253**	**0**	**173,688**
	Industrial	173,253	0	173,688
CTPark Divišov		**1,994,037**	**463,767**	**2,375,445**
	Industrial	1,994,037	463,767	2,375,445
CTPark Hlubočky		**2,066,344**	**0**	**1,937,691**
	Industrial	2,066,344	0	1,937,691
CTPark Hranice		**6,252,621**	**1,060,173**	**5,910,521**
	Industrial	6,252,621	1,060,173	5,910,521
CTPark Humpolec		**5,014,395**	**16,848**	**4,336,378**
	Industrial	4,837,145	4,608	4,159,006
	Office	157,567	0	147,132
	Other	19,682	12,240	30,240
CTPark Jihlava		**1,941,679**	**0**	**1,735,027**
	Industrial	1,941,679	0	1,735,027
CTPark Kadaň		**1,979,571**	**775,579**	**3,048,740**
	Industrial	1,979,571	775,579	3,048,740
CTPark Karviná		**2,132,871**	**1,500**	**1,899,643**
	Industrial	2,132,871	1,500	1,899,643
CTPark Kvasiny		**1,755,812**	**0**	**1,248,858**
	Industrial	1,755,812	0	1,248,858
CTPark Liberec		**580,795**	**0**	**458,778**
	Industrial	580,795	0	458,778
CTPark Lipník nad Bečvou		**727,941**	**64,549**	**421,675**
	Industrial	727,941	64,549	421,675
CTPark Louny		**816,334**	**0**	**687,468**
	Industrial	816,334	0	687,468
CTPark Mladá Boleslav		**4,929,681**	**0**	**4,520,237**
	Industrial	4,929,681	0	4,520,237
CTPark Mladá Boleslav II		**2,473,846**	**182,045**	**2,421,575**
	Industrial	2,473,846	182,045	2,421,575
CTPark Modřice		**13,784,901**	**1,106,222**	**13,220,664**
	Industrial	13,299,605	342,532	12,024,651

	Office	485,296	763,690	1,196,014
CTPark Most		**966,880**	**0**	**826,980**
	Industrial	966,880	0	826,980
CTPark Nošovice		**436,894**	**0**	**448,740**
	Industrial	436,894	0	448,740
CTPark Nový Jičín		**4,099,238**	**127,599**	**3,739,476**
	Industrial	4,099,238	127,599	3,739,476
CTPark Okříšky		**1,354,654**	**0**	**1,152,642**
	Industrial	1,354,654	0	1,152,642
CTPark Ostrava		**24,281,920**	**1,348,063**	**22,795,339**
	Industrial	22,336,055	729,211	20,143,974
	Office	1,945,865	618,852	2,651,365
CTPark Pardubice		**2,128,929**	**0**	**2,065,725**
	Industrial	2,128,929	0	2,065,725
CTPark Planá nad Lužnicí		**2,249,297**	**0**	**1,578,483**
	Industrial	2,249,297	0	1,578,483
CTPark Plzeň		**1,911,314**	**0**	**1,827,288**
	Industrial	1,911,314	0	1,827,288
CTPark Pohořelice		**6,393,023**	**40,859**	**6,139,831**
	Industrial	6,393,023	40,859	6,139,831
CTPark Prague Airport		**2,653,311**	**504,016**	**3,194,828**
	Industrial	2,522,802	460,642	3,023,294
	Office	130,509	43,374	171,534
CTPark Prague East		**4,187,953**	**703,033**	**4,680,577**
	Industrial	4,057,191	263,918	4,146,589
	Office	130,762	439,114	533,988
CTPark Prague West (Chrášťany)		**464,758**	**0**	**474,402**
	Industrial	464,758	0	474,402
CTPark Přeštice		**2,379,048**	**9,360**	**2,090,823**
	Industrial	2,379,048	9,360	2,090,823
CTPark Ústí nad Labem		**552,942**	**0**	**553,156**
	Industrial	552,942	0	553,156
CTPark Zákupy		**1,323,605**	**0**	**1,246,263**
	Industrial	1,000,604	0	912,573
	Office	323,000	0	333,690
CTPark Žatec		**3,427,083**	**272,790**	**3,788,382**
	Industrial	3,427,083	272,790	3,788,382
CTPark Žatec II		**162,027**	**30,378**	**182,556**
	Industrial	162,027	30,378	182,556
CTZone Ostrava		**224,068**	**127,116**	**354,431**
	Industrial	136,747	53,832	193,735
	Office	61,454	56,416	117,468
	Other	25,867	16,868	43,227
IQ Ostrava		**4,181,412**	**113,392**	**3,943,539**
	Office	4,181,412	113,392	3,943,539
Kutná Hora		**0**	**419,412**	**419,412**
	Industrial	0	419,412	419,412
Lysá nad Labem		**238,597**	**23,525**	**255,283**

	Industrial	238,597	23,525	255,283
Ponávka		**6,632,811**	**1,111,025**	**6,676,888**
	Industrial	2,638,073	248,402	2,727,453
	Office	3,169,738	862,623	3,949,435
	Other	825,000	0	0
Spielberk Office Centre		**12,124,896**	**1,981,508**	**13,907,800**
	Office	12,124,896	1,981,508	13,907,800
Vlněná		**6,457,498**	**1,074,297**	**7,418,101**
	Office	6,457,498	1,074,297	7,418,101

Area and income summary – Romania

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**62,703,478**	**10,036,866**	**73,274,834**
CTPark Alpha Cluj		**1,255,566**	**203,305**	**1,406,555**
	Industrial	1,255,566	203,305	1,406,555
CTPark Alpha Deva		**735,265**	**42,240**	**929,192**
	Industrial	721,185	0	886,952
	Office	14,080	42,240	42,240
CTPark Beta Arad		**2,089,389**	**58,578**	**2,305,209**
	Industrial	2,089,389	58,578	2,305,209
CTPark Beta Caras-Severin		**328,913**	**0**	**291,521**
	Industrial	328,913	0	291,521
CTPark Beta Timisoara		**803,716**	**0**	**873,582**
	Industrial	803,716	0	873,582
CTPark Beta Turda		**665,635**	**4,709**	**639,449**
	Industrial	665,635	4,709	639,449
CTPark Bucharest		**6,788,457**	**818,769**	**7,418,498**
	Industrial	6,788,457	818,769	7,418,498
CTPark Bucharest A1		**5,347,707**	**1,752,557**	**7,215,732**
	Industrial	5,347,707	1,752,557	7,215,732
CTPark Bucharest Gamma		**4,379,592**	**1,485,421**	**5,476,792**
	Industrial	4,379,592	1,485,421	5,476,792
CTPark Bucharest II		**984,118**	**0**	**1,037,482**
	Industrial	984,118	0	1,037,482
CTPark Bucharest Upsilon		**2,451,455**	**360,698**	**2,689,051**
	Industrial	2,451,455	360,698	2,689,051
CTPArk Bucharest West II		**2,060,506**	**911,562**	**3,103,591**
	Industrial	2,060,506	911,562	3,103,591
CTPark Delta Ineu		**1,341,257**	**0**	**1,258,783**
	Industrial	1,341,257	0	1,258,783
CTPark Delta Salonta		**788,439**	**0**	**773,086**
	Industrial	788,439	0	773,086
CTPark Kappa		**1,797,873**	**0**	**2,313,846**
	Industrial	1,797,873	0	2,313,846
CTPark Lambda Sibiu		**880,591**	**0**	**826,185**
	Industrial	880,591	0	826,185
CTPArk Pitesti		**2,560,161**	**0**	**2,449,357**

	Industrial	2,560,161	0	2,449,357
CTPark Sigma Timisoara		**1,447,542**	**0**	**1,689,026**
	Industrial	1,447,542	0	1,689,026
CTPark Tau Sibiu		**293,636**	**230,679**	**642,975**
	Industrial	293,636	230,679	642,975
CTPark Theta Stefanesti		**466,184**	**471,174**	**975,162**
	Industrial	466,184	471,174	975,162
CTPark West I		**24,138,581**	**3,697,174**	**27,577,763**
	Industrial	24,138,581	3,697,174	27,577,763
Deva Logistics Center		**1,098,893**	**0**	**1,381,998**
	Industrial	1,098,893	0	1,381,998

Area and income summary – Hungary

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**24,191,507**	**2,889,790**	**26,023,417**
CTPark Arrabona		**2,302,242**	**67,662**	**1,654,329**
	Industrial	2,302,242	67,662	1,654,329
CTPark East		**4,823,602**	**145,652**	**5,151,768**
	Industrial	4,823,602	145,652	5,151,768
CTPark Győr		**539,556**	**0**	**529,631**
	Industrial	539,556	0	529,631
CTPark Komárom		**1,195,900**	**2,127,662**	**3,170,562**
	Industrial	1,195,900	2,127,662	3,170,562
CTPark South		**1,386,621**	**0**	**1,369,705**
	Industrial	1,386,621	0	1,369,705
CTPark Székesfehérvár		**1,151,172**	**7,020**	**1,190,391**
	Industrial	1,151,172	7,020	1,190,391
CTPark Szombathely		**983,382**	**0**	**902,398**
	Industrial	983,382	0	902,398
CTPark Tatabánya		**2,775,592**	**0**	**2,644,581**
	Industrial	2,775,592	0	2,644,581
CTPark West		**9,033,442**	**541,794**	**9,410,054**
	Industrial	8,999,796	515,988	9,342,914
	Office	33,645	25,806	67,140

Area and income summary – Slovakia

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**25,036,832**	**424,358**	**21,735,943**
Bratislava		**239,338**	**0**	**239,338**
	Other	239,338	0	239,338
CTPark Bratislava		**6,740,225**	**227,646**	**6,295,898**
	Industrial	6,740,225	227,646	6,295,898
CTPark Hlohovec		**1,715,332**	**0**	**1,354,638**
	Industrial	1,715,332	0	1,354,638
CTPark Kosice		**3,181,119**	**196,712**	**3,021,519**

	Industrial	3,181,119	196,712	3,021,519
CTPark Krasno nad Kysucou		**594,901**	**0**	**557,951**
	Industrial	594,901	0	557,951
CTPark Nitra		**1,885,437**	**0**	**1,693,306**
	Industrial	1,885,437	0	1,693,306
CTPark Nove Mesto nad Vahom		**839,212**	**0**	**905,863**
	Industrial	839,212	0	905,863
CTPark Trnava		**6,018,685**	**0**	**4,955,912**
	Industrial	6,018,685	0	4,955,912
CTPark Voderady		**2,199,337**	**0**	**1,348,038**
	Industrial	2,199,337	0	1,348,038
CTPark Zilina		**1,623,245**	**0**	**1,363,480**
	Industrial	1,623,245	0	1,363,480

Area and income summary – Serbia

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**5,328,508**	**335,634**	**5,118,405**
CTPark Beograd North		**549,203**	**329,328**	**898,794**
	Industrial	549,203	329,328	898,794
CTPark Beograd West		**1,344,149**	**0**	**1,285,205**
	Industrial	1,344,149	0	1,285,205
CTPark Kragujevac		**1,877,149**	**6,306**	**1,457,191**
	Industrial	1,877,149	6,306	1,457,191
CTPark Novi Sad		**1,558,008**	**0**	**1,477,215**
	Industrial	1,558,008	0	1,477,215

Area and income summary – Poland

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**1,834,812**	**513,630**	**2,164,481**
CTPark Opole		**1,834,812**	**513,630**	**2,164,481**
	Industrial	1,834,812	513,630	2,164,481

Area and income summary – Austria

Location	Use	Current Income (€ p.a.)	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)
Total		**171,700**	**0**	**171,684**
Deuchendorf, Austria		**171,700**	**0**	**171,684**
	Industrial	171,700	0	171,684

2.2.4 Operational Expenses and Capital Expenditures

We have been provided with the operational expenses (including park management expenses, real estate tax, insurance and other) and service charge income budget for 2020. Based on the document we understand that service charge collections are higher than operational costs in the Czech Republic, Hungary and Slovakia. In Romania, Serbia and Poland the operational costs are higher than income from service charges. For countries with no non-recoverable costs, we have applied a minimal level of non-recoverable costs of 1%. For countries with identified non-recoverable costs, we have applied non-recoverable costs in line with the performed analysis.

We have been provided with the capital expenditure (CAPEX) budget for the properties by the Client. The capital expenditure budget includes the planned repairs that are scheduled for 2021. In addition to that, we have also assumed fit out costs for selected office buildings.

The CAPEX for the purpose of our valuations is presented below.

Property Number	Location	Property Name	Country	Capex and Fit-Out Costs (EUR)
35	CTPark Humpolec	H 1	CR	115,385
36	Spielberk Office Centre	Villa "L"	CR	17,300
46	CTPark Ostrava	O 2 - CTS Warehouse	CR	15,385
48	Spielberk Office Centre	Villa "K"	CR	84,444
50	CTPark Humpolec	H 2	CR	119,231
78	Spielberk Office Centre	Villa "G"	CR	493,862
80	Spielberk Office Centre	IQ Building - C,D,E,F	CR	329,354
88	CTPark Pardubice	PA 1	CR	159,615
98	CTPark Ostrava	O 10	CR	96,154
174	CTPark Ostrava	O24	CR	192,308
178	Spielberk Office Centre	Tower I	CR	177,500
303	CTPark Karviná	KRN 2 (Aviva)	CR	173,077
355	CTPark Cerhovice	CER1	CR	1,633,651
358	Vlněná	Building FGH	CR	151,456
360	Vlněná	Building A,B incl. Parking	CR	135,240
361	Vlněná	Bochner Palace	CR	209,300
367	CTPark Ostrava	O 8	CR	42,308
378	CTPark Blatnice	BL 2 (Unit A,B)	CR	1,852,111
1191	CTPark West I	BUW17	RO	4,718,901
5004	CTPark Bucharest A1	Buch29	RO	79,635
5005	CTPark Bucharest A1	Buch30	RO	148,441
5006	CTPark Bucharest A1	Buch39	RO	285,197
5007	CTPark Bucharest A1	Buch38	RO	226,650
5008	CTPark Bucharest A1	Buch37	RO	390,438
5009	CTPark Bucharest A1	Buch31	RO	187,949
5010	CTPark Bucharest A1	Buch33	RO	249,975
5011	CTPark Bucharest A1	Buch28	RO	284,910
5012	CTPark Bucharest A1	Buch34	RO	307,283
5013	CTPark Bucharest A1	Buch36	RO	183,572
5014	CTPark Bucharest A1	Buch35	RO	119,170
5015	CTPark Bucharest A1	Buch32	RO	232,974
5016	CTPark Beta Caras-Severin	Buchin	RO	100,000
5017	CTPark Beta Arad	Arad NV	RO	100,000
5018	CTPark Beta Timisoara	TIM-Chisoda	RO	150,000
17	CTPark Trnava	TRN 2	SK	165,000
18	CTPark Trnava	TRN 3	SK	141,000

2.3 Development Properties

2.3.1 Overview

Development properties are defined for the purpose of this valuation as properties that have already obtained all necessary construction permits and construction has already commenced.

The development properties include 35 properties located on 1,081,147 sq. m of land with a total lettable area (upon completion) of 605,122 sq. m. This part of the portfolio includes 30 industrial properties, 4 office properties and one student housing property.

Development Properties - Distribution according to accommodation type.

Type of the Premises	Number of properties	Gross Lettable Area (sq m)	Share of the Market Value on Development Property Portfolio as of 31st December 2020
Industrial	30	556,351	81.68%
Office	4	35,050	17.03%
Other	1	13,721	1.29%
TOTAL	**35**	**605,122**	**100.00%**

Development Properties - Distribution according to location.

Location	Number of Properties	Gross Lettable Area (sqm)
Czech Republic	20	296,222
Romania	4	102,473
Hungary	4	115,156
Slovakia	6	61,886
Serbia	1	29,385
TOTAL	**35**	**605,122**

The development properties are in various states of construction and all should be completed in 2021. The detailed building information is described in the table below:

Property Number	Site Area (sqm)	Location	Property	Estimated Completion Date	Planning Status	Costs spent
P 01	36,964	CTPark Bor	B 7 (Unit F)	2021	BP	57.09%
P 03	4,590	CTPark Plzen	BP 22	2021	BP	80.80%
P 08	67,248	CTPark Cheb	CHE 1.1	2021	BP	95.19%
P 18	18,684	CTPark Brno Líšeň	ZET 2	2021	BP	51.63%
P 20	4,596	CTPark Brno Líšeň	ZET 6	2021	BP	50.11%
P 21	4,596	CTPark Brno Líšeň	ZET 7	2021	BP	54.28%
P 23	2,252	Vlněna Office Park	Building C	2021	BP	99.46%
P 24	2,251	Vlněna Office Park	Building D	2021	BP	93.40%
P 25	2,529	Vlněna Office Park	Building E	2021	BP	97.95%
P 26	25,068	CTPark Žilina	ZG 3 - Unit A	2021	BP	27.44%
P 28	11,666	CTPark Bratislava	BRA 4	2021	BP	39.09%
P 31	12,326	CTPark Trnava	TRN 14b	2021	BP	55.02%
P 32	22,156	CTPark Prešov	PR 1	2021	BP	19.63%

P 33	77,697	CTPark Budapest West	BIA 5	2021	BP	67.85%
P 36	87,008	CTPark Budapest South	DHR 2	2021	BP	52.80%
P 47	19,785	CTPark Trnava	TRN 9 A	2021	BP	51.40%
P 51	63,348	CTPark Bucharest North	BUN 1 (Phase 2, 3)	2021	BP	32.39%
P 52	45,676	CTPark Bor	B 12 Primark	2021	BP	79.32%
P 54	35,727	CTPark Prague East	NU 3	2021	BP	38.19%
P 55	33,000	CTPark Timisoara	TIM 3	2021	BP	33.94%
P 57	25,515	CTPark Turda	TU 4	2021	BP	16.52%
P 58	79,040	CTPark Budapest East	ULL 5	2021	BP	37.38%
P 60	61,000	CTPark Kragujevac	KRG 2	2021	BP	50.75%
P 61	125,883	CTPark Bor	B 11	2021	BP	21.36%
P 62	4,591	CTPark Plzen	BP 24 CTBox	2021	BP	13.61%
P 63	10,245	CTPark Plzen	BP 25	2021	BP	66.83%
P 64	58,647	CTPark Ostrava Poruba	OP 1	2021	BP	36.38%
P 65	21,857	CTPark Žatec	ZA 3 - Unit A	2021	BP	60.11%
P 66	1,593	Ponávka	Domeq II / III	2021	BP	23.16%
P 68	3,747	CTPark Nošovice	NO 1 Unit D Phase I	2021	BP	5.35%
P 69	3,110	Vlněna Office Park	Building I	2021	BP	6.77%
P 70	12,785	CTPark Ostrava	O 26 Unit A	2021	BP	74.79%
P 74	22,795	CTPark Biatorbágy	BIA 8	2021	BP	10.82%
P 76	15,800	CTPark Košice	KSC 13 Unit A	2021	BP	0.02%
P 77	57,372	CTPark Bucharest	BUCH 11	2021	BP	90.33%
	1,081,147					

2.3.2 Accommodation and Tenancy Details

Based on the documents that we received from the client, we understand that some of the development properties are partly or fully pre-let. The agreed rental terms are reflected in the valuation. For the proposed accommodation without a letting agreement in place we have applied our assessment of the Estimated Market Rental Value. A summary of the tenancy details for the development properties is presented in the table below.

Development Properties Accommodation and Tenancy Details

Property Number	Property	Pre-leased	Gross Lettable Area (sqm)	Contracted Income (EUR p.a.)	ERV Vacant (EUR p.a.)	Assumed GOI (EUR p.a.)
P 01	B 7 extension (Unit F)	0.00%	24,723	0	1,432,896	1,432,896
P 03	BP 22	19.25%	2,520	49,878	133,455	183,333
P 08	CHE 1.1	0.00%	33,742	0	1,507,820	1,507,820
P 18	ZET 2	58.36%	7,750	304,720	183,939	488,659
P 20	ZET 6	0.00%	3,751	0	256,971	256,971
P 21	ZET 7	0.00%	3,751	0	256,971	256,971
P 23	Building C	44.06%	10,554	727,320	935,445	1,662,765
P 24	Building D	50.19%	9,087	727,320	728,895	1,456,215
P 25	Building E	0.00%	6,573	0	1,033,443	1,033,443
P 26	ZG 3 - Unit A	100.00%	16,631	740,276	0	740,276
P 28	BRA 4	0.00%	8,327	0	473,358	473,358
P 31	TRN 14b	0.00%	7,466	0	350,370	350,370
P 32	PR 1	0.00%	12,156	0	542,858	542,858

P 33	BIA 5	63.56%	31,382	1,240,496	686,220	1,926,716
P 36	DHR 2	73.00%	37,164	1,737,467	575,700	2,313,167
P 47	TRN 9 A	100.00%	8,649	613,131	0	613,131
P 51	BUN 1 (Phase 2, 3)	0.00%	41,220	0	1,623,888	1,623,888
P 52	B 12 Primark	100.00%	28,668	1,396,117	0	1,396,117
P 54	NU 3	19.27%	13,551	213,324	722,243	935,567
P 55	TIM 3	100.00%	16,073	736,057	267,950	1,004,007
P 57	TU 4	0.00%	14,308	0	622,973	622,973
P 58	ULL 5	100.00%	39,519	4,695,804	0	4,695,804
P 60	KRG 2	100.00%	29,385	2,239,441	0	2,239,441
P 61	B 11	100.00%	66,294	3,362,178	0	3,362,178
P 62	BP 24 CTBox	0.00%	2,365	0	166,005	166,005
P 63	BP 25	100.00%	5,277	377,022	0	377,022
P 64	OP 1	0.00%	31,859	0	1,601,232	1,601,232
P 65	ZA 3 - Unit A	100.00%	11,813	676,198	0	676,198
P 66	Domeq II / III	0.00%	13,721	0	1,226,667	1,226,667
P 68	NO 1 Unit D Phase I	100.00%	2,623	131,276	0	131,276
P 69	Building I	0.00%	8,836	0	1,510,956	1,510,956
P 70	O 26 Unit A	100.00%	8,764	516,504	0	516,504
P 74	BIA 8	0.00%	7,091	0	539,920	539,920
P 76	KSC 13 Unit A	100.00%	8,657	469,340	0	469,340
P 77	BUCH 11	0.00%	30,872	0	1,364,307	1,364,307
TOTAL			**605,122**	**20,953,869**	**18,744,481**	**39,698,350**

2.4 Land bank

2.4.1 Overview

The land bank includes land sites located mostly within CTP existing locations of standing assets. A small portion of the land bank includes land sites in new locations. According to relevant master plans, the land sites within the land bank are zoned for industrial or office development but have not yet received zoning and building permits.

Land bank - Distribution according to Location.

Type of the Premises	Number of properties	Gross Lettable Area (sq m)	Share of the Market Value of Landbank Portfolio as of 31st December 2020
Czech Republic	48	3,747,347	52.29%
Romania	20	2,342,012	20.09%
Slovakia	9	1,214,413	14.32%
Hungary	5	377,603	4.32%
Poland	3	630,048	3.88%
Bulgaria	1	174,954	2.22%
Slovenia	1	79,639	1.85%
Serbia	2	111,416	1.03%
Total	**89**	**8,677,433**	**100.00%**

The land bank includes 89 land sites with a total site area of 8,677,433 sq. m.

Land bank Overview

Property Number	Location	Country	Area (sq m)
L 01	CTPark Bor	CZ	118,372
L 02	CTPark Brno South	CZ	407,960
L 03	CTPark Cerhovice	CZ	212,574
L 04	CTPark Divišov	CZ	1,242
L 05	CTPark Hranice	CZ	89,383
L 06	CTPark Hrušky	CZ	175,110
L 07	CTPark Lipník nad Bečvou	CZ	77,043
L 08	CTPark Litice	CZ	52,653
L 09	CTPark Modřice	CZ	26,840
L 10	CTPark Ostrava	CZ	19,928
L 11	CTPark Planá nad Lužnicí	CZ	47,470
L 12	CTPark Jirny	CZ	166,988
L 13	CTPark Žatec	CZ	28,736
L 14	Ponávka	CZ	6,585
L 15	CTZone Ostrava	CZ	13,627
L 16	CTPark Blučina	CZ	3,257

L 17	Brno - Přízřenice	CZ	11,757
L 18	Brno Retail Park	CZ	194,177
L 19	Ostrava - Náměstí republiky	CZ	8,749
L 20	CTPark Ostrava Poruba	CZ	153,537
L 21	Valašské Meziříčí	CZ	3,635
L 22	Vlněna Office Park	CZ	4,601
L 23	Vratimov	CZ	2,337
L 24	CTPark Brno - D1 Exit	CZ	83,439
L 25	CTPark Brno II	CZ	71,118
L 26	CTPark Brno III - Piskovna	CZ	63,119
L 27	CTPark Nošovice	CZ	14,970
L 28	CTPark České Budějovice	CZ	159,725
L 29	CTPark Prague North	CZ	620,763
L 30	CTPark Prague East	CZ	12,502
L 31	CTPark Mladá Boleslav II	CZ	21,528
L 32	CTPark Blatnice	CZ	201,181
L 33	CTPark Nový Jičín	CZ	20,730
L 34	CTPark Zákupy	CZ	20,615
L 35	CTPark Kvasiny	CZ	56,180
L 36	CTPark Cheb	CZ	29,394
L 37	CTPark Most	CZ	17,716
L 38	CTPark Česká Lípa	CZ	34,419
L 39	CTPark Veselí nad Lužnicí	CZ	5,604
L 40	CTPark Holubice	CZ	24,327
L 41	CTPark Přeštice	CZ	18,427
L 42	CTPark Karviná	CZ	11,000
L 43	CTPark Žatec II	CZ	13,458
L 44	CTPark Kadaň	CZ	109,272
L 45	CTPark Brno Líšeň	CZ	84,527
L 46	CTPark Hradec Kralove	CZ	51,465
L 47	CTPark Prague West	CZ	47,380
L 48	CTPark As	CZ	127,927
L 49	CTPark Prešov	SK	432,683
L 50	CTPark Martin	SK	12,812
L 51	CTPark Bratislava	SK	20,726
L 52	CTPark Trnava	SK	198,003
L 53	CTPark Voderady	SK	49,999
L 54	CTPark Žilina	SK	15,533
L 55	CTPark Košice	SK	24,792
L 56	CTP Bratislava City	SK	142,360

L 57	CTPark Trnava II	SK	317,505
L 58	CTPark Kecskemét	HU	60,833
L 59	CTPark Arrabona	HU	49,463
L 60	CTPark Budapest East (Üllő)	HU	140,394
L 61	CTPark Budapest West (Biatorbagy)	HU	123,549
L 62	CTPark Maglód	HU	3,364
L 63	CTPark Opole	PL	80,015
L 64	CTPark Ilowa	PL	339,736
L 65	CTPark Zabrze	PL	210,297
L 66	CTPark Pitesti	RO	94,952
L 67	CTPark Turda	RO	108,327
L 68	CTPark Bucharest West - part II	RO	115,846
L 69	CTPark Deva II	RO	18,000
L 70	CTPark Bucharest - part I	RO	153,398
L 71	CTPark Ineu	RO	11,259
L 72	CTPark Bucharest Chitila	RO	21,785
L 73	CTPark Bucharest West - part I	RO	200,977
L 74	CTPark Salonta	RO	30,368
L 75	CTPark Timisoara III	RO	65,559
L 76	CTPark Sibiu	RO	69,240
L 77	CTPark Bucharest West - part I	RO	165,337
L 78	CTPark Bucharest West - part I	RO	399,947
L 79	CTPark Bucharest West - part I	RO	34,265
L 80	CTPark Bucharest West - part I	RO	280,001
L 81	CTPark Bucharest North	RO	98,406
L 82	CTPark Bucharest West - part II	RO	35,600
L 83	CTPark Bucharest North	RO	179,767
L 84	CTPark Bucharest - part I	RO	63,876
L 85	CTPark Arad	RO	195,102
L 86	CTPark Beograd West	RS	12,000
L 87	CTPark Beograd North	RS	99,416
L 88	CTPark Sofia East	BG	174,954
L 89	CTPark Ljubljana Airport	SI	79,639
Total			**8,677,433**

3 Market Commentary

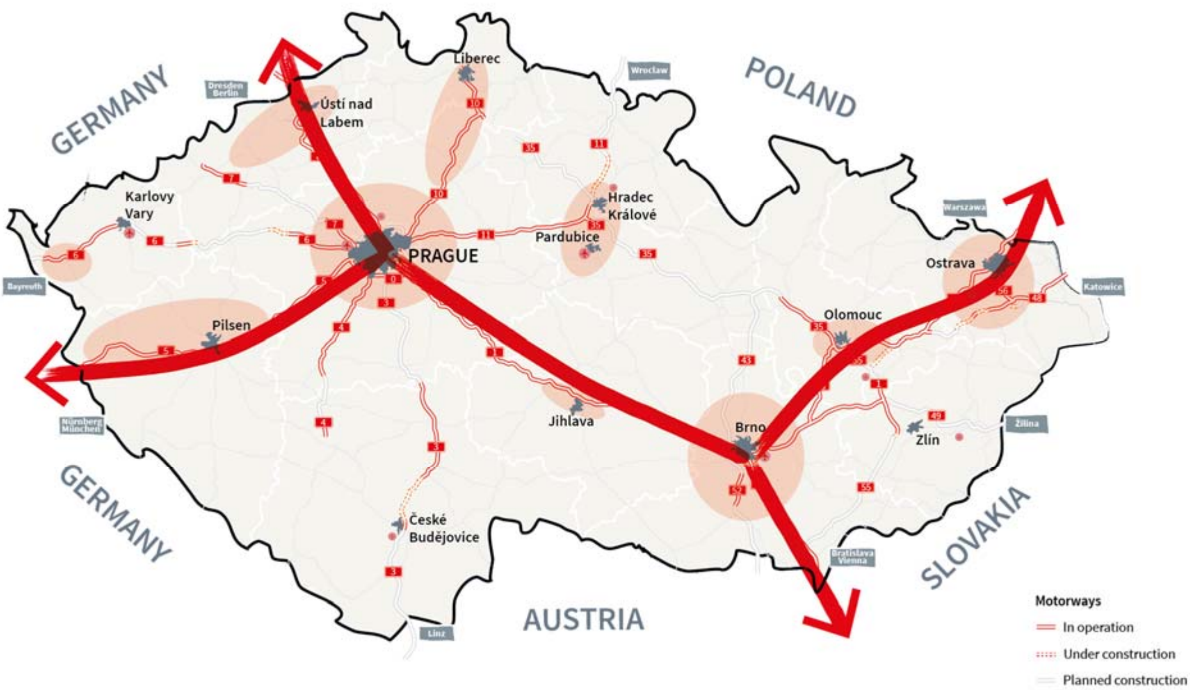
The CTP real estate portfolio is located in the Czech Republic (66.0 % of total Market Value), Romania (17.0 % of total Market Value), Hungary (7.7 % of total Market Value), Slovakia (6.7 % of total Market Value) and Serbia, Poland, Bulgaria, Slovenia, Austria (all accounting for an aggregate 2.6 % of total Market Value). In this market commentary section, we have focused on the main markets comprising the Czech Republic, Romania, Hungary and Slovakia.

3.1 Czech Industrial Occupational Market

3.1.1 Supply Dynamics

The Czech Republic is situated in the centre of Europe representing a gateway between the East and the West. Due to its developed motorway network it represents an attractive location for logistics companies servicing their customers both in the Western European and other CEE countries. In addition, the country's industrial tradition makes it a preferred location for many manufacturing companies as well.

Czech Republic Major Transport Corridors and Logistics Hubs



Source: JLL, Q3 2020

Note: Czech industrial market data refers to modern stock of logistics and light industrial use of A class quality owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data includes transactions of all sizes.

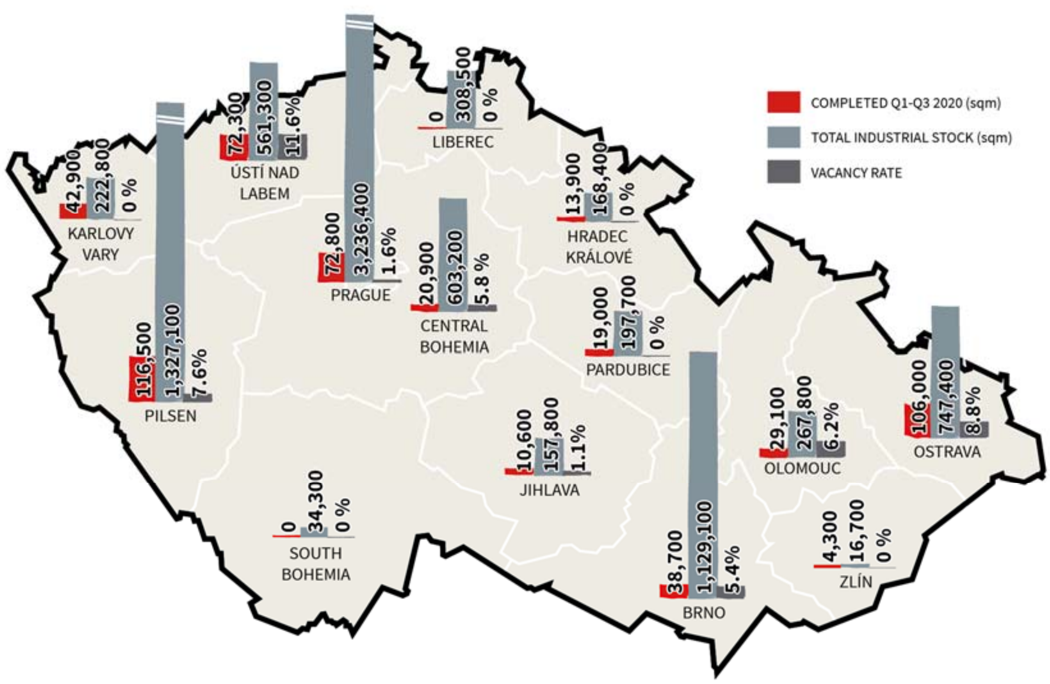
Overall Industrial Market Statistics of the Czech Republic (Q3 2020)	
Total stock	8,978,600 sqm
New supply completed in Q1 – Q3 2020	547,000 sqm
Space Under Construction	372,600 sqm
Gross Take-up in Q1 – Q3 2020	972,400 sqm
Net Take-up in Q1 – Q3 2020	442,600 sqm
Vacancy rate	4.4%
Prime rent	4.75 EUR/sqm/month

Source: JLL, Industrial Research Forum, Q3 2020

3.1.1.1 Stock and Supply

The industrial / logistics market in the Czech Republic is growing rapidly as demand continues to outpace supply. Since 2015 the modern industrial stock in the country has increased by nearly 3.8 million of new logistics and light industrial space, which equates to almost 650,000 sqm of new industrial supply on average per annum. The Czech Republic is a primary beneficiary of the extensive and increasingly interconnected trade activity across Europe and with Europe's largest economy, Germany.

New Supply and Total Stock Distribution in the Czech Republic



Source: JLL, Industrial Research Forum, Q3 2020

At the end of Q3 2020, the total modern A-class industrial stock in the Czech Republic (owned by developers and investors) reached 8.99 million sqm. Greater Prague is the largest industrial market in the country with a 36% share, followed by the Pilsen (15%) and South Moravian (13%) regions.

The Czech industrial and logistics market has largely benefitted from the overall economic prosperity in the last five years when both manufacturing companies and customer demand including growing e-commerce sector were driving the surge for logistics/industrial space. With outbreak of the pandemic, the market entered constrained conditions on strong fundamentals: record demand in 2019, historical low vacancy and decreasing levels of speculative construction.

During Q1 - Q3 2020, industrial stock in the Czech Republic increased by approx. 547,000 sqm, approaching a milestone of 9 mil. sqm of modern industrial stock. Compared to Q1 – Q3 2019 results, new supply, despite the COVID-19 pandemic, increased by 12%, most probably reflecting on a very robust 2019 take-up levels.

Most of the new supply was situated in the Pilsen region with 116,500 sqm built area, followed by the Moravia-Silesia region with 106,000 sqm completed space and Greater Prague accounting for 72,800 sqm.

Overall, CTP has registered the largest share on new supply in the first nine months of 2020, accounting for 21% of the total new deliveries with the largest portion being situated in the Pilsen region (8% of the regional total). Panattoni ranked second with 17% share on the national total, followed by P3 with nearly 16%.

Top Industrial Parks in the Czech Republic

Logistics park	Region	Floor space (sqm)	Occupied area (Q3 2020)
CTPark Brno	South Moravia	436,100	96%
CTPark Bor	Pilsen	420,800	94%
P3 Prague Horní Počernice	Greater Prague	385,000	96%
Prologis Park Prague-Jirny	Greater Prague	349,000	100%
CTPark Ostrava	Moravia-Silesia	275,000	100%
Prologis Park Prague-Rudná	Greater Prague	240,100	97%
CTPark Plzeň	Pilsen	227,600	99%
CTPark Modřice	South Moravia	177,800	93%
P3 Prague D1	Greater Prague	176,400	100%
SEGRO Logistics Park Prague	Greater Prague	170,600	99%

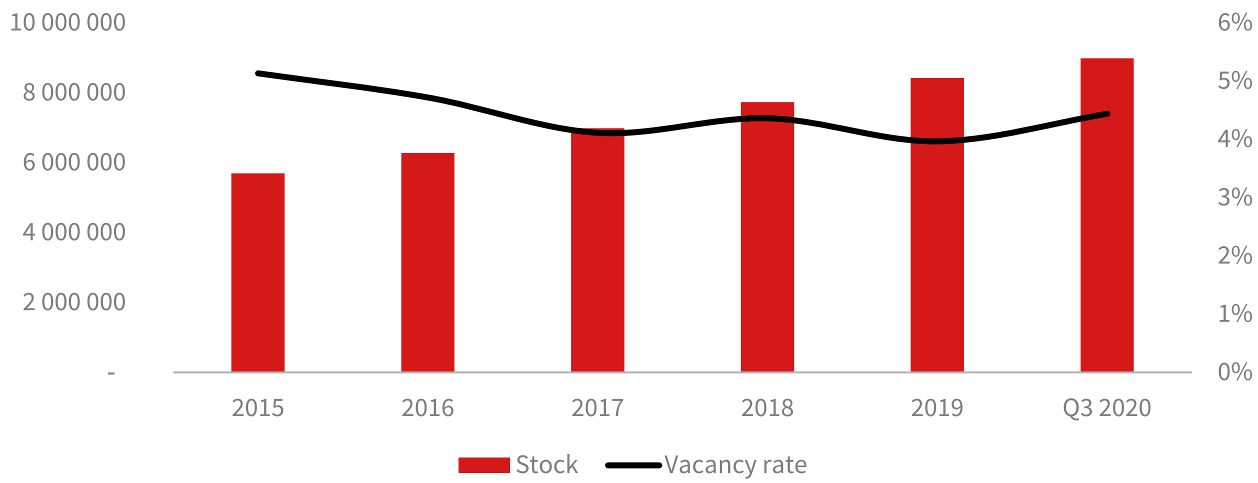
Source: JLL, Industrial Research Forum, Q3 2020

3.1.1.2 Vacancy

Strong ongoing demand and tight supply has led to stable low vacancy rates in the last 5 years in the Czech Republic, with vacancy at levels below 5%.

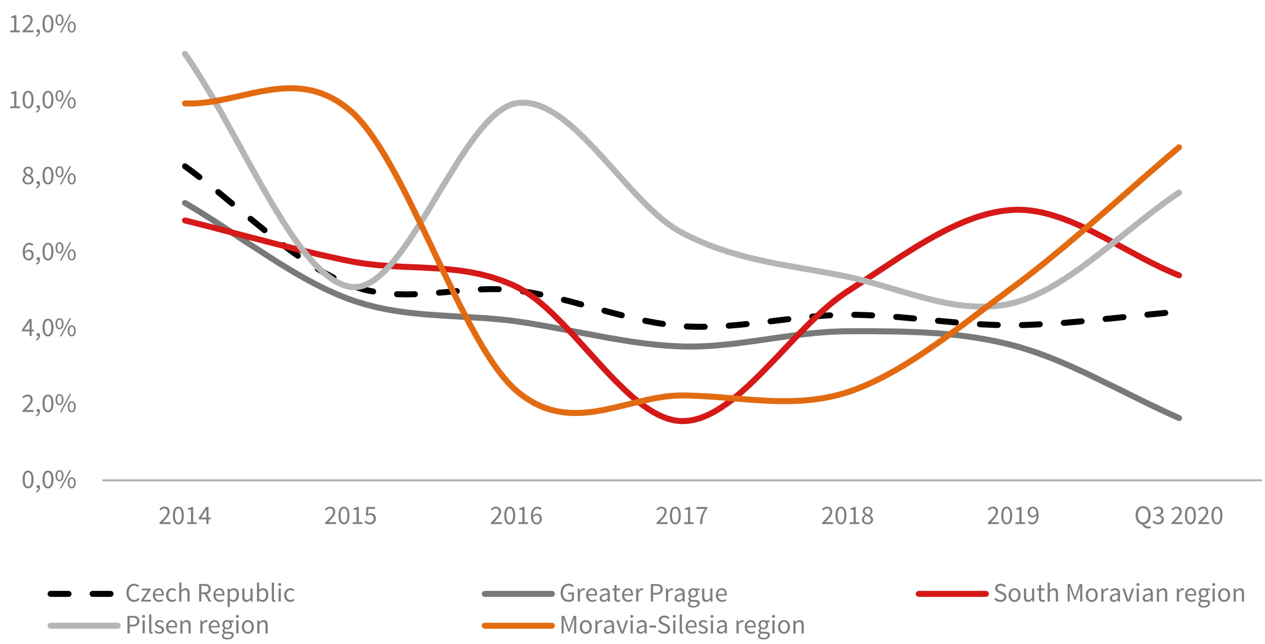
As of September 2020, the vacancy rate in the Czech Republic decreased from 4.6% in Q2 2020 to just 4.4%, representing a decrease of 20 bps q-o-q. In comparison with the same period of previous year, the vacancy increased by 20 bps. The vacancy in Greater Prague reached 1.6%, down 60 bps q-o-q, indicating extremely low supply in the Capital. Compared to Q3 2019 results, vacancy rate in the Greater Prague region dropped significantly by 190 bps.

The Czech Republic: Stock vs. Vacancy



Source: JLL, Industrial Research Forum, Q3 2020

Vacancy development in the Czech Republic and major industrial regions



Source: JLL, Industrial Research Forum, Q3 2020

Other major Czech industrial regions have registered vacancy rates above the Czech average as of September 2020. The highest vacancy rate is currently found in the Ústí nad Labem region (11.6%) and Moravia-Silesia (8.8%) which witnessed delivery of speculative projects in the first nine months of 2020. On the other hand, out of 14 Czech regions, eight regional markets have registered vacancy rates below the Czech average vacancy (4.4 % in Q3 2020). At the end of Q3 2020 zero vacancy rates were reported by Industrial Research Forum in the Pardubice, Hradec Králové, Liberec, South Bohemia, Zlín and Karlovy Vary regions.

3.1.1.3 Future Supply Overview

In Q3 2020, the pace of construction activity slowed, for the third quarter in a row. Compared to Q2 2020, the total volume of space under construction was approximately 70,000 sqm lower and reached 372,600 sqm. Compared to the same period last year, the volume under construction decreased by approx. 150,000 sqm. Out of the total space under construction in Q3 2020, 218,500 sqm was scheduled to be delivered in Q4 2020. Compared to the 5-year Q3 average (508,100 sqm), the total space under construction decreased by 27%.

At the end of September 2020, there were 27 projects in the construction phase. Two notable schemes commencing construction during Q1 – Q3 2020 included an extension of CTPark Bor with GLA of 62,100 sqm (pre-leased to a 3PL company, Loxxess) and an extension of CTPark Žatec with GLA of 31,400 sqm (partly pre-leased to an automotive company, Nexen Tire). An overview of the largest schemes under construction as of the end of September 2020 is provided in the following table.

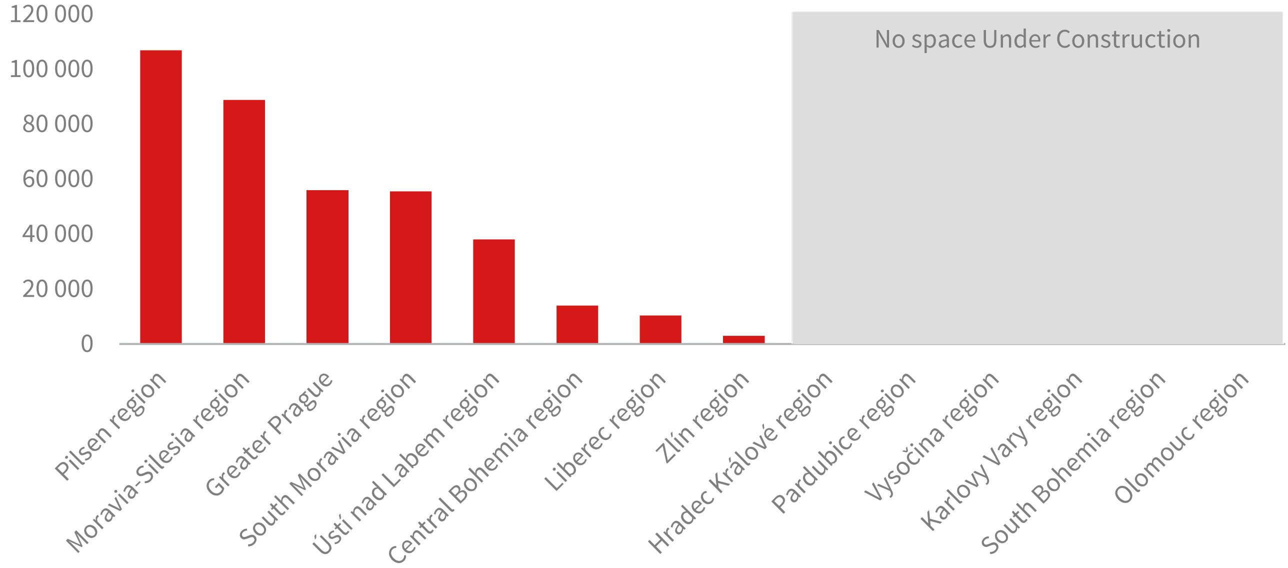
Major projects under construction in the Czech Republic (Q3 2020)

Property	Region	Planned completion	Pre-leased (% of the total)	Floorspace (sqm)
CTPark Bor	Pilsen	2021/Q2	100%	62,100
CTPark Ostrava	Moravia-Silesia	2020/Q4	93%	49,800
Brno Airport	South Moravia	2020/Q4	44%	38,500
CTPark Žatec	Ústí nad Labem	2021/Q1	37%	31,400
CTPark Ostrava Poruba	Moravia-Silesia	2021/Q3	0%	30,900
CTPark Bor	Pilsen	2020/Q4	100%	28,200
Archan Park - Brandýs nad Labem	Greater Prague	2020/Q4	0%	14,600
Pilsen West Industrial Park	Pilsen	2020/Q4	100%	12,500
CTPark Prague East	Greater Prague	2021/Q1	30%	11,800
CTPark Mladá Boleslav	Central Bohemia	2020/Q4	100%	8,200

Source: JLL, Industrial Research Forum, Q3 2020

Construction activity is currently taking place in eight out of 14 regions in the Czech Republic with the Pilsen region representing nearly 29% of the total, followed by the Moravia-Silesia region (24%) and Greater Prague (15%). Currently, there are no projects under construction in the Hradec Králové, Pardubice, Vysočina, Karlovy Vary, South Bohemia and Olomouc regions. The South Bohemian and Zlín regions have limited construction activity due to undeveloped infrastructure.

Space under construction in regions as of Q3 2020 (sqm)



Source: JLL, Industrial Research Forum, Q3 2020

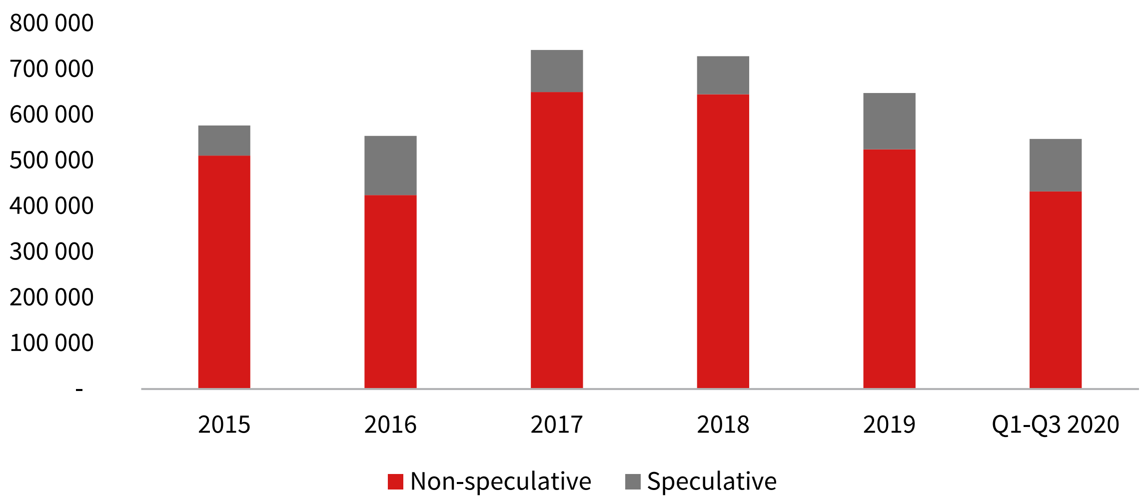
The years post 2008, when the global financial crisis hit the market, were marked by a conservative approach in terms of new supply by both - financial institutions as well as developers. Despite some revival of demand around 2010 arising mostly from the manufacturing/automotive sector which helped to absorb oversupply from pre-2009 levels, the recovery was considered to be fragile and developers were strictly focused on pre-lets and built-to-suits projects.

In the past five years (2015-2019), the share of speculative construction eventually increased as a reaction to a booming economy which pushed demand up. As vacancy remained on record-low levels, speculative development became more frequent, though not to the extent the market had experienced between 2007 and 2008. As shown on the chart below, only between 11% to 23% of new supply was delivered to the market speculatively during the last five years.

In the first nine months of 2020, the share of speculative new construction decreased. The majority of the space completed in Q3 2020 was delivered on a pre-let basis, while speculatively delivered new construction accounted for 8%.

In Q3 2020 the share of speculatively built under construction space accounted for 35%, decreased from 48% in Q3 2019. During Q3 2020, the largest share of speculative under construction space was recorded in Greater Prague with 73%, followed by the South Moravian region with 57% and the Ústí nad Labem region with 52%. As supply is very tight in the capital city, it can be expected the available space will be absorbed soon.

Non-speculative vs. speculative construction in the Czech Republic (sqm)



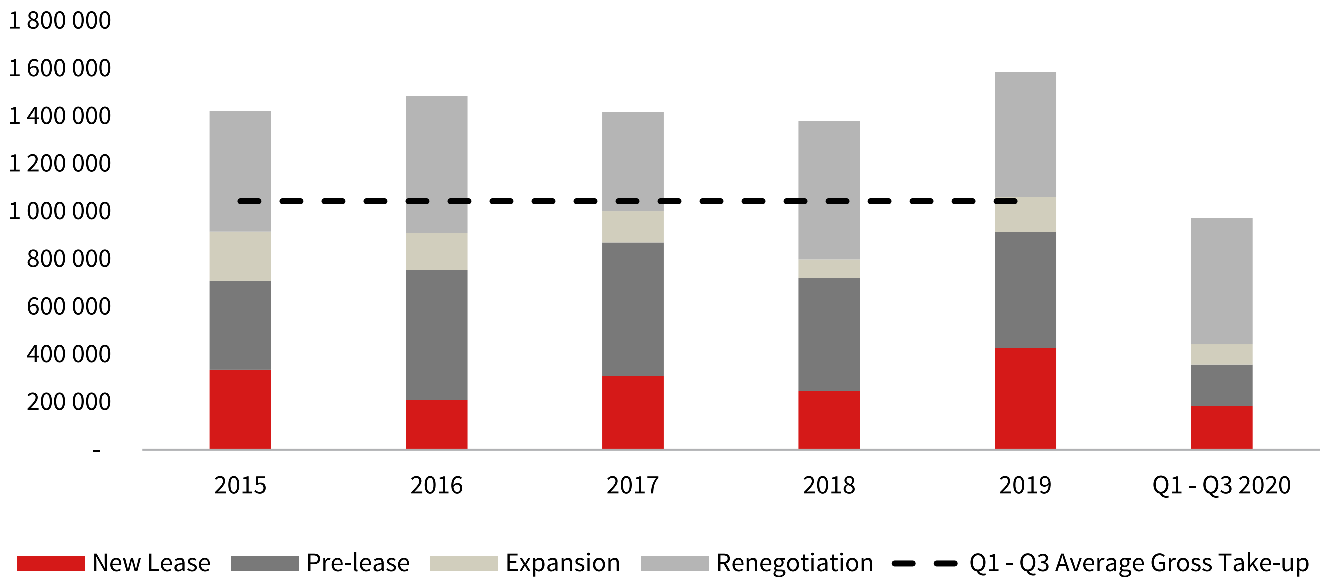
Source: JLL, Industrial Research Forum, Q3 2020

3.1.2 Demand dynamics

3.1.2.1 Take-up overview

Over the period from 2015 to 2019, the total amount of leased industrial space reached 7.3 million sqm in the Czech Republic. Net take-up, excluding renegotiations, reached 4.7 million sqm. The share of renegotiations on 5-year demand reached approximately 36%.

The Czech Republic: Gross Take-up by Type of Lease (sqm) 2015 – Q3 2020



Source: JLL, Industrial Research Forum, Q3 2020

Major selected new transactions in the Czech Republic (2015 – Q3 2020)

Property	Region	Tenant	Type of tenant	Size (sqm)	Deal type	Year
Panattoni Park Cheb	Karlovy vary	Tchibo	Retail	73,100	Pre-lease	2016
VGP Park Jeneč	Greater Prague	4PX	3PL	66,200	Pre-lease	2017
CTPark Bor	Pilsen	Loxxess	3PL	60,500	Pre-lease	2020
FM Logistics Tuchoměřice	Greater Prague	FM ČESKÁ	3PL	53,200	New lease	2015
CTPark Prague North	Greater Prague	Makro	Retail	53,000	Pre-lease	2016
D+D Park Brodce	Central Bohemia	Škoda Auto	Automotive	35,400	Pre-lease	2017
Prologis Park Prague-Rudná	Greater Prague	Sportisimo	Retail	34,800	Pre-lease	2016
Prologis Park Prague Jirny	Greater Prague	Globus	Retail	33,500	Pre-lease	2015
Panattoni Park Cheb	Karlovy vary	DHL	Retail	32,000	Pre-lease	2017
Prologis Park Prague Jirny	Greater Prague	DHL	3PL	30,900	Expansion	2015

Source: JLL, Industrial Research Forum, Q3 2020

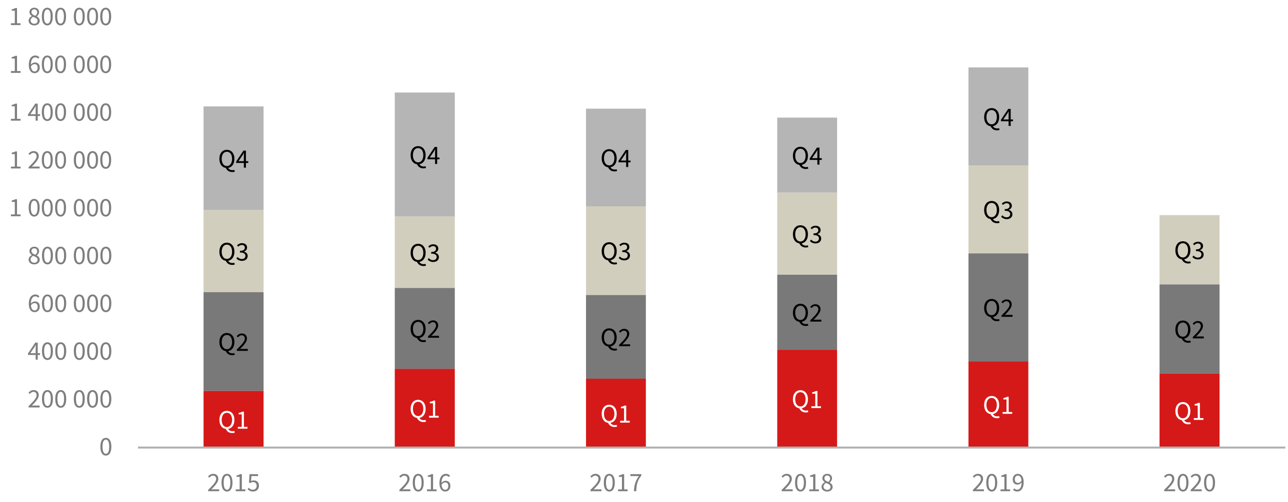
During 2019, the market registered a record high take-up, reaching 1,586,000 sqm of leased space. Net take-up, excluding renegotiations, amounted to 1,061,000 sqm. Compared to 2018, this showed a 15% improvement in gross and 33% in net take-up.

Over the first nine months of 2020, demand for industrial space was muted. Though Q1 started off well, keeping in pace with the previous year, the lockdown measures adopted in early March slowed down the market and Q1 results remained 14% below Q1 2019 levels. During Q2 2020, despite the difficulties, gross take-up remained only 17% below the same period last year. In Q3 2020 when lockdown measures were lifted, the market response remained moderate.

Overall, during Q1- Q3 2020, gross take-up reached 972,400 sqm, which is 18% below Q1-Q3 2019 figures. Net take-up amounted to 442,600 sqm, representing a decrease of 41%.

During Q1 – Q3 2020 Greater Prague was the most active region in the country in terms of both gross and net take-up, accounting for 38% and 29% respectively. The second most active region in terms of both, gross and net take-up, was the Pilsen region with 25% and 29%, respectively.

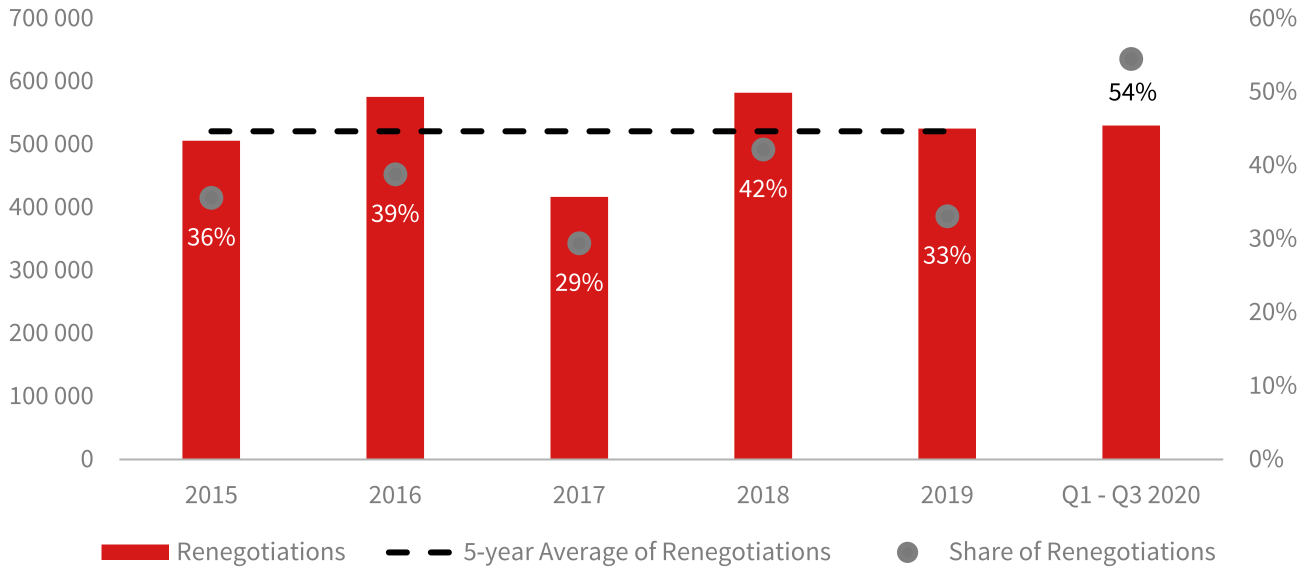
Czech Republic: Gross Take-up by Quarter (sqm)



Source: JLL, Industrial Research Forum, Q3 2020

As a result of uncertainty in the market caused by the outbreak of the pandemic, the share of renegotiations increased to 54%, the highest level in the last five years.

Czech Republic: Share of Renegotiations (sqm)



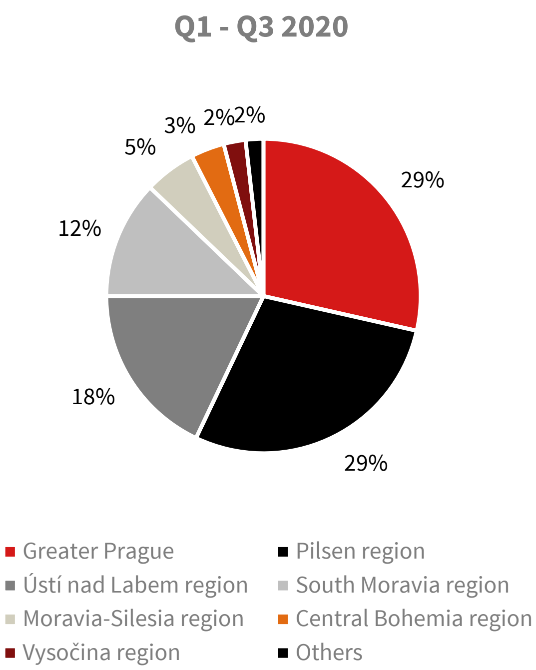
Source: JLL, Industrial Research Forum, Q3 2020

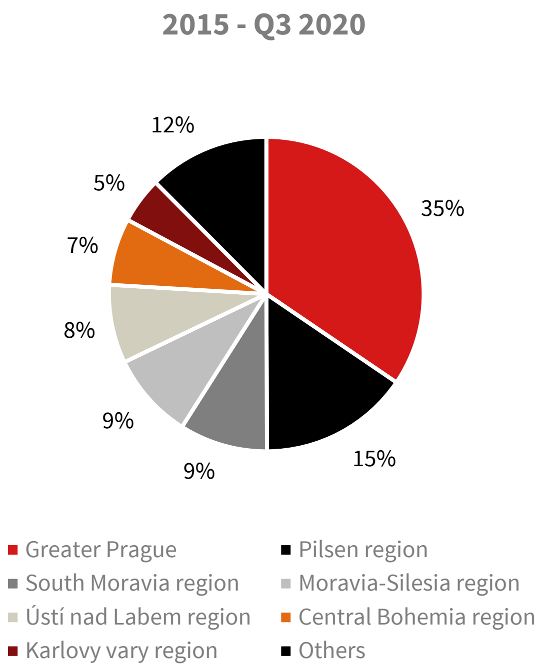
Major selected new transactions in the Czech Republic (Q1 – Q3 2020)

Property	Region	Tenant	Type of tenant	Floorspace (sqm)	Transaction type
CTPark Bor	Pilsen	Loxxess	3PL	60,500	Pre-lease
P3 Lovosice	Ústí nad Labem	Möbelix / XLMX Obchodní s.r.o.	Retail	25,100	New lease
Prologis Park Prague Úžice	Greater Prague	Confidential	Automotive	21,300	New lease
CTPark Bor	Pilsen	Confidential	Automotive	15,700	New lease
CTPark Prague West	Greater Prague	Confidential	3PL	14,500	Pre-lease
Prologis Park Prague Chrášťany	Greater Prague	Confidential	Confidential	14,500	Pre-lease
Pilsen West Industrial Park	Pilsen	Faurecia Pilsen	Automotive	12,400	Pre-lease
Brno Airport	South Moravia	Confidential	Confidential	12,200	Pre-lease
Panattoni Park Stříbro	Pilsen	Raben Group	3PL	11,700	Pre-lease
CTPark Žatec	Ústí nad Labem	Nexen Tire	Automotive	11,600	Pre-lease

Source: JLL, Industrial Research Forum, Q3 2020

Net Take-up by Regional Markets

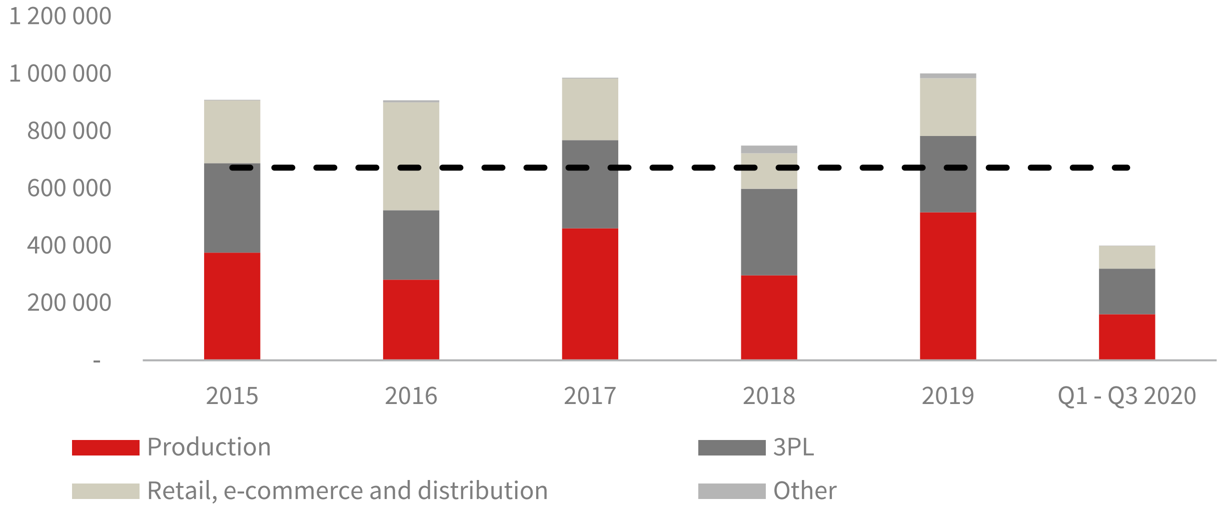




Source: JLL, Industrial Research Forum, Q3 2020

3.1.2.2 Take-up by business sector

Czech Republic: Net Industrial Take-up by Sectors 2015 – Q3 2020

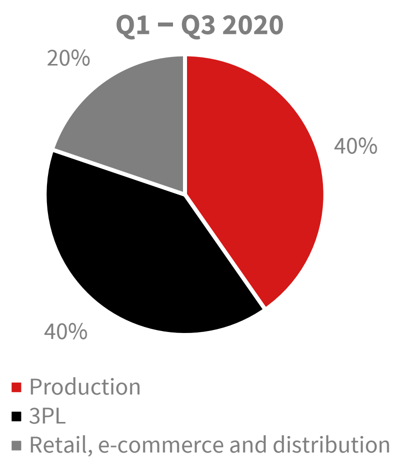


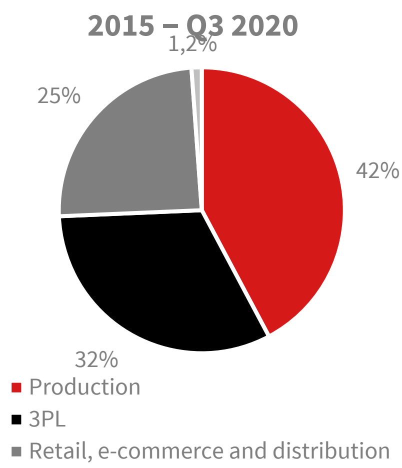
Source: JLL, Industrial Research Forum, Q3 2020

Note: Confidential deals, where type of a tenant was not disclosed, are excluded from calculation.

Looking at the breakdown of the most active sectors driving industrial demand in 2015-Q3 2020, manufacturers were the leading sector with 42% of total net demand. 3PL operators ranked second, with 32% of net demand, followed by distribution, retail and e-commerce companies with 25% share of the total.

Czech Republic: Net Take-up by Sectors





Source: JLL, Industrial Research Forum, Q3 2020

Note: Confidential deals, where type of a tenant was not disclosed, are excluded from calculation.

The leading sector in terms of gross take-up in Q1 – Q3 2020 were 3PL companies which accounted for 49%, followed by producers (38%). In terms of net demand, manufacturing companies and 3PLs firms stood behind the same share of 40% of net take-up.

3.1.3 Rental Development

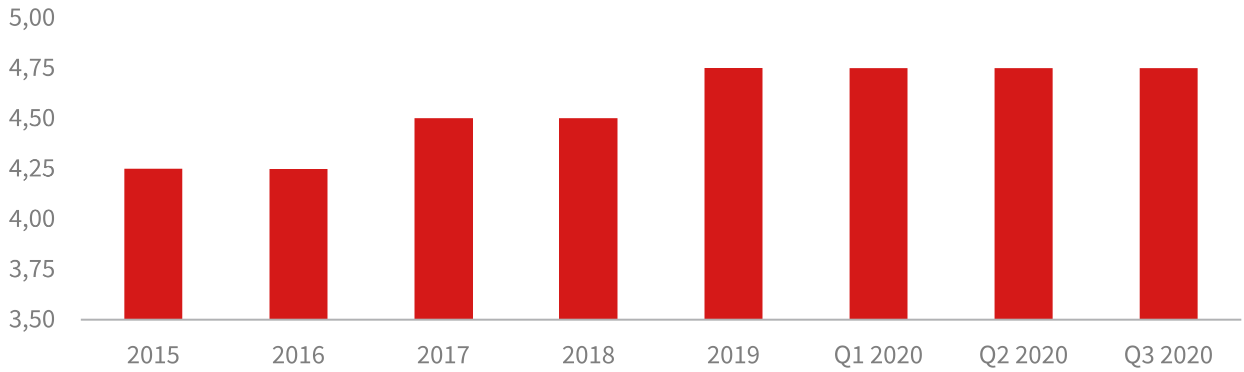
Prime industrial/logistics headline rents in the Czech Republic have been steadily increasing. While in 2015 and 2016 prime rents remained stable, prime rents increased in 2017 and again in 2019, due to strong demand and tight supply to reach their current level of 4.75 EUR per sqm per month, as highlighted by rents in Greater Prague.

In Q3 2020, prime industrial rents in Greater Prague remained stable at a level of €4.20 - 4.75 sqm/month. No rental change was registered in the Brno region either where prime headline rents remained at €4.00 - 4.60 sqm/month.

Over the last 5 years, prime headline rents in the Czech Republic have witnessed a gradual rise from €4.25/sqm/month in 2015 to the current level of €4.75/sqm/month. Built-to-suit developments command higher rents than those quoted, especially when situated in locations with limited competition.

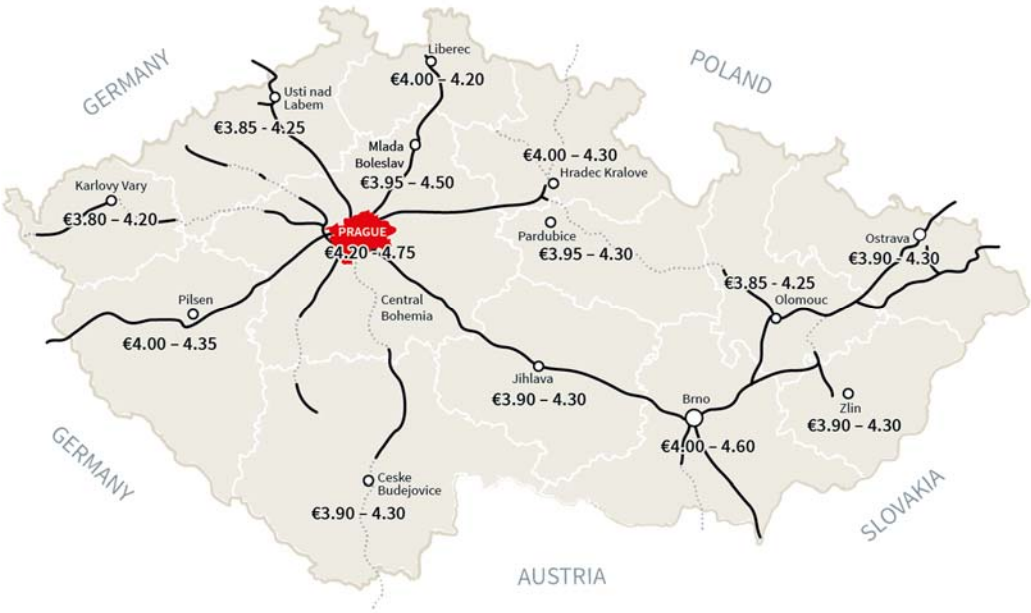
Based on the latest JLL forecasts (November 2020), prime headline industrial/logistics rents in Prague are expected to grow by 1.2% on average p.a. in the next 5 years.

Prime industrial/logistics rents in the Czech Republic (EUR/sqm/month)



Source: JLL, Q3 2020

Prime industrial/logistics rent in the Czech Regions



Source: JLL, Q3 2020

In the Czech regions, the highest rents are registered in the Greater Prague and Brno (the South Moravian region) regions. The rents pictured on the map above refer to prime headline rents for the best A-class logistics/light industrial building of approximately 5,000 sqm, situated in prime locations within the specific region.

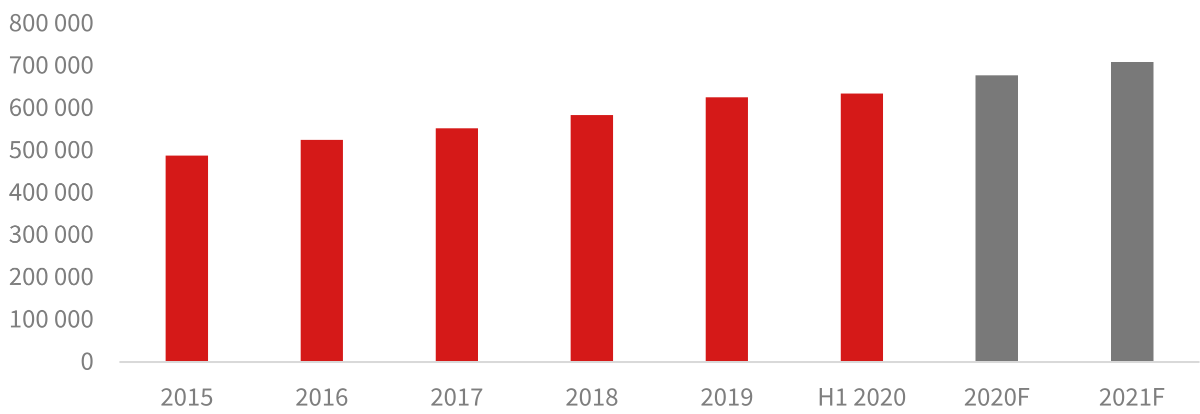
3.2 Brno (Czech Republic) Office Occupational Market

Brno is the second largest market for modern office space in the Czech Republic and is relatively well developed. It has a highly educated and well-qualified workforce with lower costs, which has attracted significant foreign direct investment to the city in recent years. The higher level of unemployment compared to the national average in this case increases the attractiveness of the locality.

3.2.1 Supply dynamics

In H1 2020, the modern office stock in the city of Brno increased to its current level of ca. 634,000 sqm. Modern A class offices cover approximately 84% of the total stock while the remaining 16% consists of B class projects. Similar ratio of 78% to 22% is in favour of newly built buildings in comparison to quality refurbished schemes. The total office stock in Brno is expected to increase to ca. 708,800 sqm at the end of 2021.

Brno Office Stock Development (sqm)

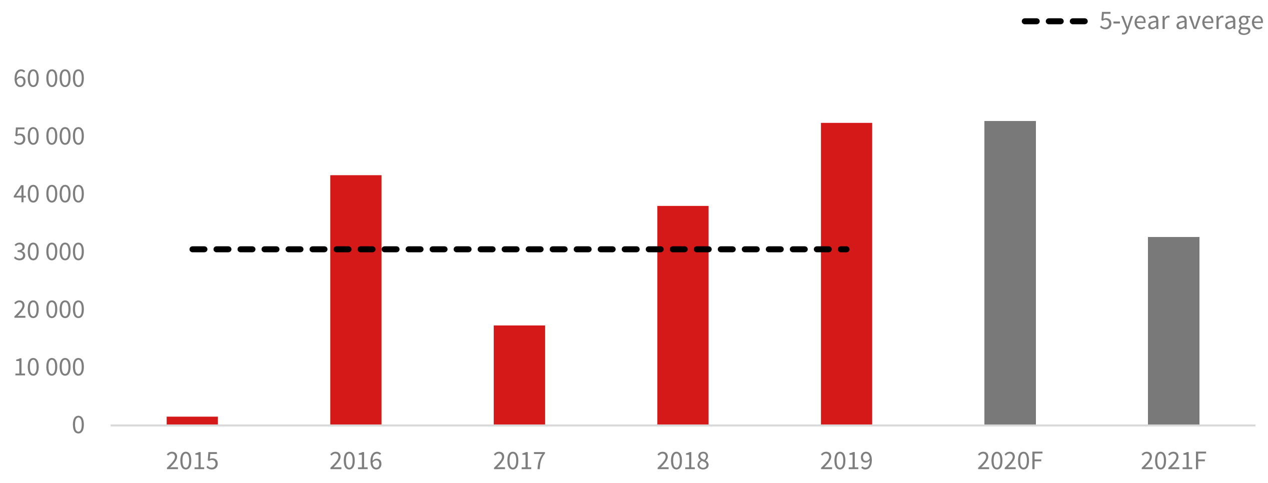


Source: JLL, Regional Research Forum H1 2020

During 2019, six office buildings totalling 52,400 sqm were completed in Brno. New supply included the new construction of Vlněna office park AB (19,100 sqm), Zet.office (19,000 sqm) and the refurbishment of Moravák Brno (4,700 sqm), Babák Office (4,600), Svatopetrská C (3,400 sqm) and Vlněna office park – Bochner Palace (1,600 sqm). In H1 2020, one office project was delivered to the Brno office market. This was the refurbishment of Šumavská Towers B with 10,600 sqm of leasable office space.

During the years 2015-2019, approximately 152,500 sqm of office space was delivered in the Brno office market with an average annual increase of 30,500 sqm.

New Supply Development (sqm)



Source: JLL, Regional Research Forum H1 2020

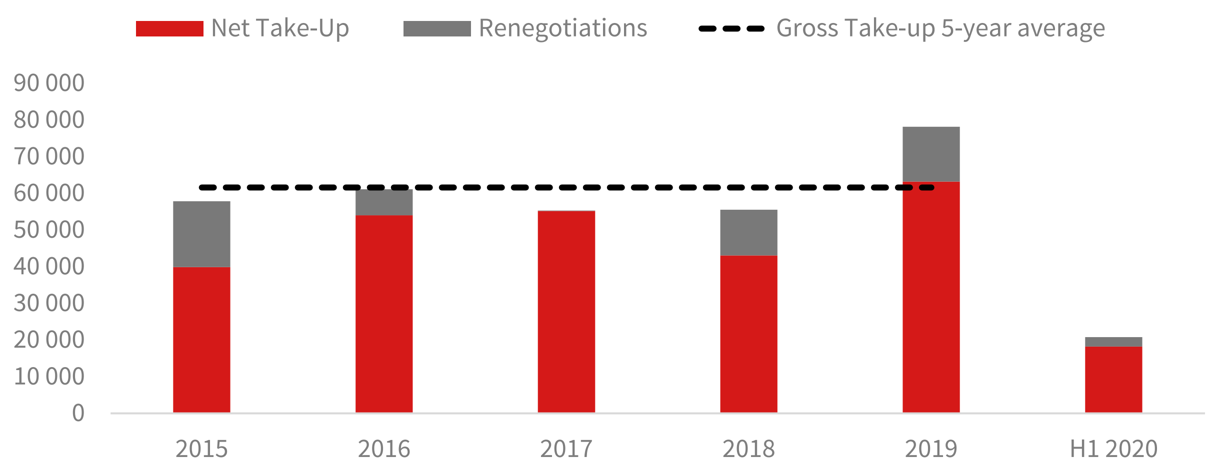
Currently, there is approximately 74,800 sqm of office space under construction with scheduled completion between the end of 2020 and 2021. The most notable projects under construction include: Titanium II (23,000 sqm), Vlněna office park CD (16,500 sqm) and Areál Slatina building P (15,200 sqm).

3.2.2 Demand dynamics

In H1 2020, gross take-up reached 20,800 sqm, a 60% decrease in comparison with H2 2019 and a 22% decrease in a year-on-year perspective. The largest transaction in the first half of 2020 was the new lease of Siemens in Ponávka CTOffice A3 (4,100 sqm). Net take-up, which exclude renewals, amounted to 18,200 sqm (-63% against H2 2019 and +34% in comparison with H1 2019). The largest portion of the gross take-up volume in H1 2020 (excluding undisclosed deals) was signed by the Manufacturing and IT sectors.

During the years 2015-2019, approximately 307,800 sqm of office space was leased (gross figures) with an average annual gross take-up at 61,600 sqm.

Take-up Development (sqm)



Source: JLL, Regional Research Forum H1 2020

Major Leasing Deals (2015-H1 2020)

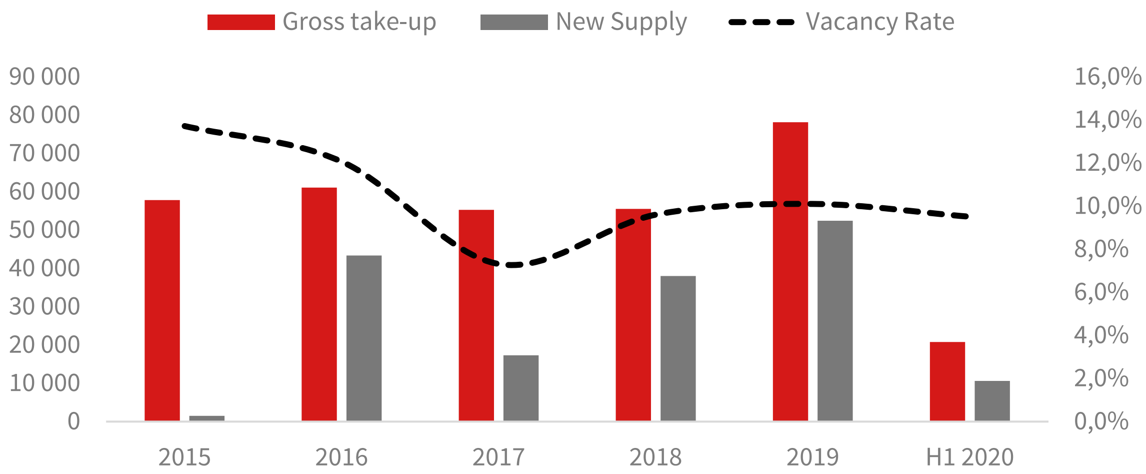
Tenant	Size, sqm	Building	Owner	Type of Lease	Period
IBM	13,000	Technologický Park Brno - DE, FG	Tech.Park Brno	renegotiation	H1 2015
KIWI.COM	10,900	Zet.office	CPI Group	pre-completion	H2 2019
Infosys	9,000	Vlněna office park AB	CTP Invest	new occupation	H2 2019
Avast	8,600	Vlněna office park FG	CTP Invest	pre-completion	H2 2017
Moravia IT	8,500	Vlněna office park AB	CTP Invest	pre-completion	H1 2018
Zebra Technologies	8,400	Vlněna office park CD	CTP Invest	pre-completion	H2 2019

Source: JLL, Regional Research Forum H1 2020

3.2.3 Vacancy rate

Between 2012 and 2014, due to strong supply, there was a significant increase in vacancy, as supply exceeded current demand. According to the historical trend, vacancy was expected to increase again in 2016 when nearly 44,000 sqm of new office space was delivered, however, due to economic growth and continued strong demand, this space was absorbed and vacancy at the end of 2017 was at 7.3%, which was the lowest rate since 2010. This positive trend has continued and there was approximately 60,300 sqm of modern office space vacant at the end of H1 2020. The vacancy rate in H1 2020 decreased to 9.5%, representing a decrease of 60 basis points compared to H2 2019.

Vacancy Rate Development



Source: JLL, Regional Research Forum H1 2020

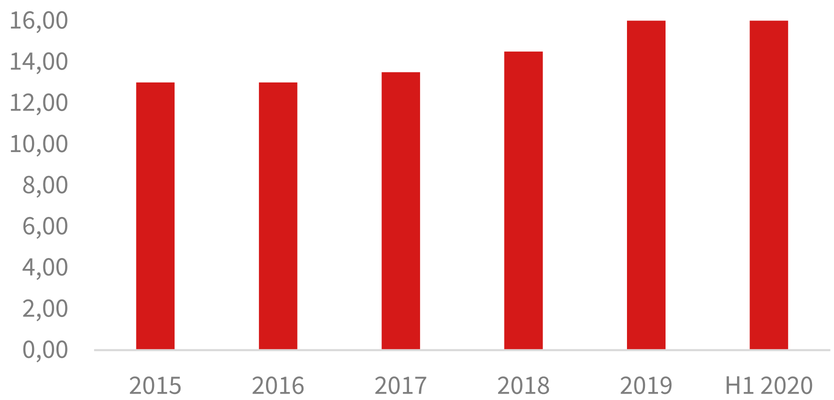
3.2.4 Rental Development

The prime headline rents for A class office space remained stable during H1 2020 and currently sit in the range of 15.00 – 16.00 EUR/sqm/month. However, this value represents only a limited part of the stock. In general, modern offices in the Brno market are currently being offered at between 11.00 and 13.50 EUR per sqm per month depending on the vicinity to the city center and the overall quality of the project.

The levels of incentives provided to future occupiers are similar to those in the primary market: rent free periods of up to one month per year of lease (or more) and/or fit-out contributions; however, similarly to any other office market, the incentives are subject to individual negotiations.

The service charges are in general around CZK70 - CZK110 per sqm per month depending on the level of 'green' elements as well as on the number of services included.

Prime Rent Development (EUR/sqm/month)



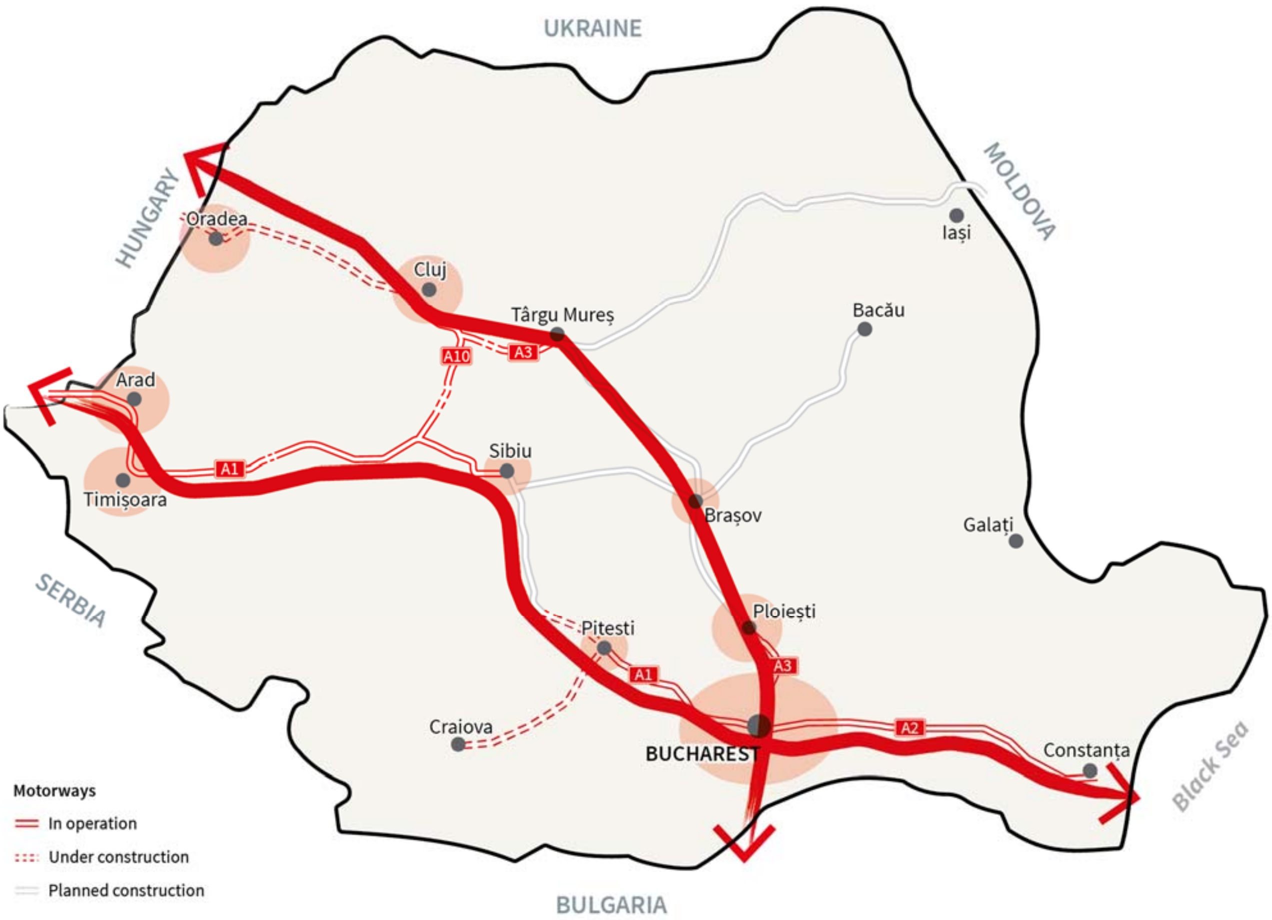
Source: JLL, Regional Research Forum H1 2020

3.3 Romanian Industrial Occupational Market

3.3.1 Supply dynamics

Romania benefits from a strong geo-strategic location as it is positioned at the crossroads of three important markets: the European Union, the CIS states and the Middle East, and crossed by three important pan-European transportation corridors. As a result, the Romanian industrial and logistics market is showing a dynamic development. In the long run, the relatively low level of supply of industrial and logistics space per capita suggests the potential for a strong growth in the country's industrial and logistics stock.

Romanian Major Transport Corridors and Logistics Hubs



Source: JLL, Q3 2020

Note: Romanian industrial market data refers to modern stock of logistics and light industrial use of class A and B, owned by a developer or investor for lease to third parties. As historic time series for the entire country is not available, historic data refers to the capital city of Bucharest which represents the dominant industrial market of Romania. If not specified otherwise both gross and net take-up data include transactions of all sizes.

Overall Industrial Market Statistics of Romania (Q3 2020)	
Total stock	4,871,200 sqm
New supply completed in Q1 – Q3 2020	410,000 sqm
Space Under Construction	309,000 sqm
Gross Take-up in Q1 – Q3 2020	396,400 sqm
Net Take-up in Q1 – Q3 2020	293,800 sqm
Vacancy rate	5.0%
Prime rent	4.0 EUR/sqm/month

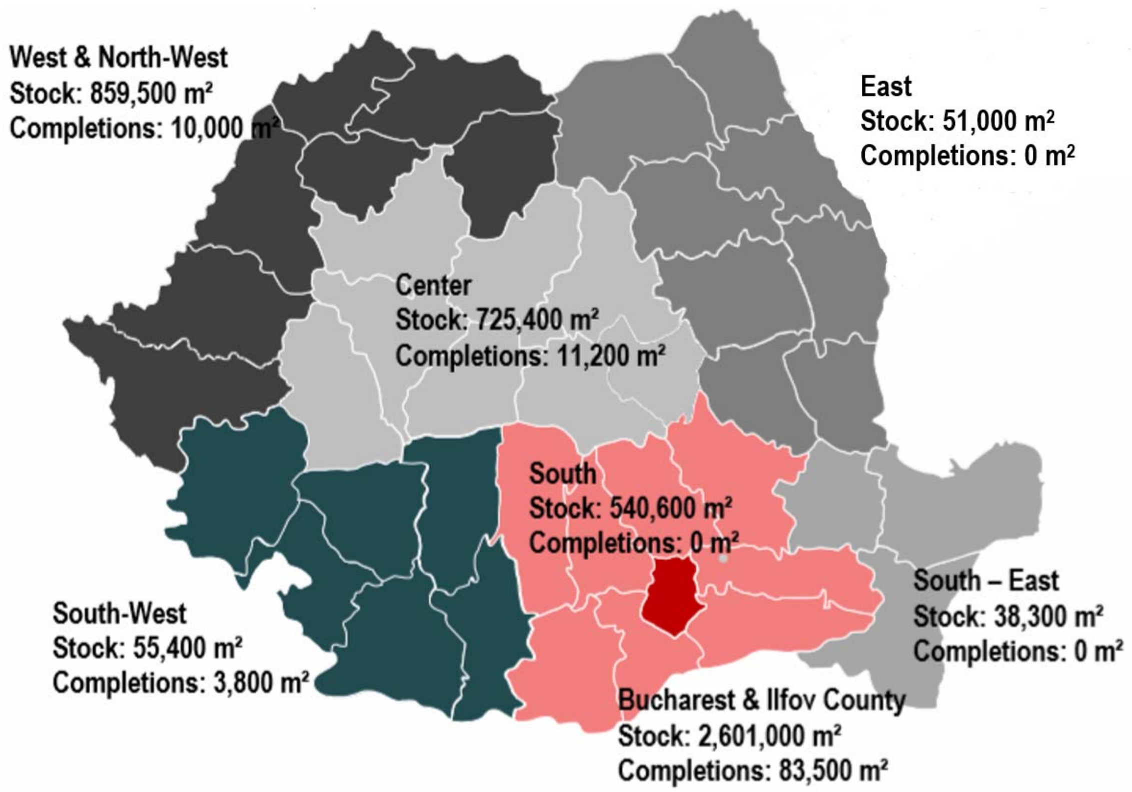
Source: JLL, Q3 2020

3.3.1.1 Stock and Supply

At the end of Q3 2020, the total modern A-class industrial stock in Romania (owned by developers and investors) reached 4.87 million sqm. Bucharest is the largest industrial market in the country with a 53% share, followed by West & North-West (18%) and Center (15%) regions.

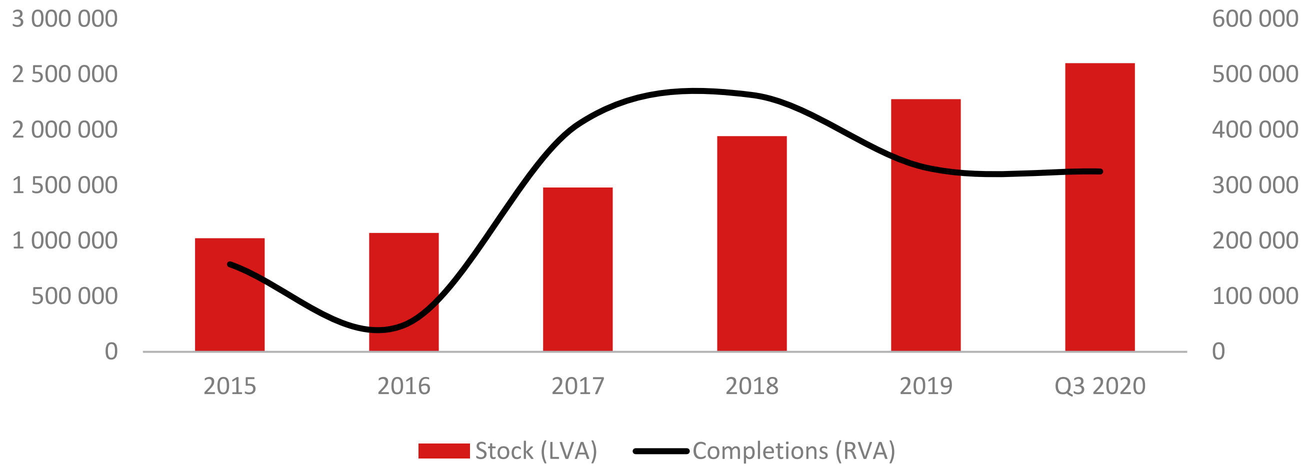
During the first nine months of 2020 almost 410,000 sqm of modern industrial and logistics space was delivered nationwide. Approximately 180,000 sqm is expected to be added to the stock in Q4, thus bringing the total deliveries for 2020 to almost 600,000 sqm, a similar volume as seen in 2019. The industrial and logistics sector in Romania proved to be resilient in the face of the COVID-19 pandemic and most real estate developers have carried on with their development plans.

New Supply in Q3 2020 and Total Stock Distribution



Source: JLL, Q3 2020

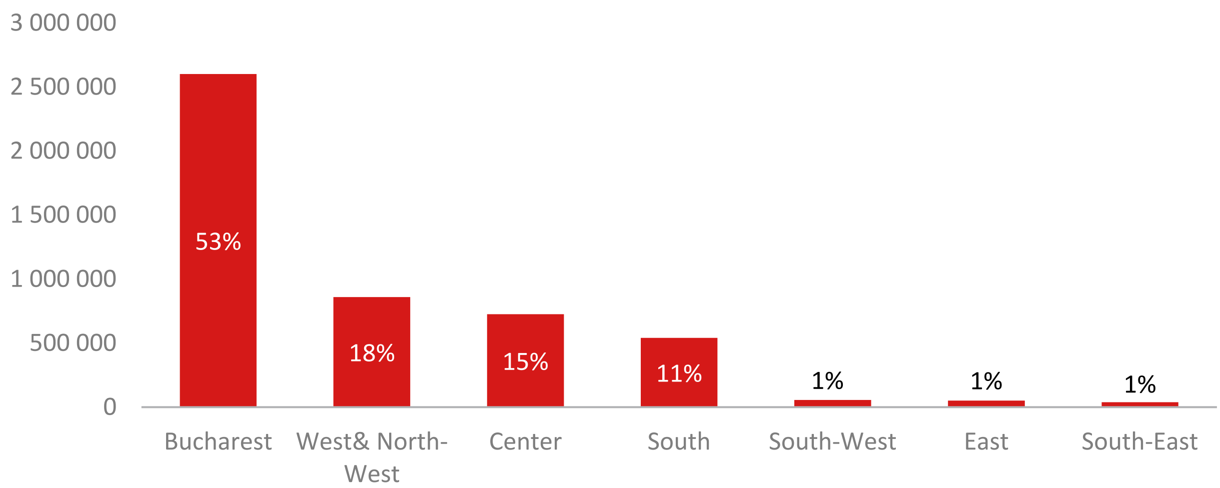
Industrial stock development and completions in Bucharest (sqm)



Source: JLL, Q3 2020

Note: Historic time series for the entire country is not available. Bucharest represents the dominant industrial market of Romania.

Total industrial stock distribution by regions (sqm)



Source: JLL, Q3 2020

Approximately 108,500 sqm of new industrial and logistic space was delivered during Q3 2020, slightly above the previous quarter. Bucharest & Ilfov accounted for most of the new space, with over 83,500 sqm, or close to 77% of total deliveries. The rest was represented by the Center region, with approximately 11,200 sqm, West & North-West, with 10,000 sqm and South-West, adding another 3,800 sqm.

Largest 10 Industrial Parks in Romania

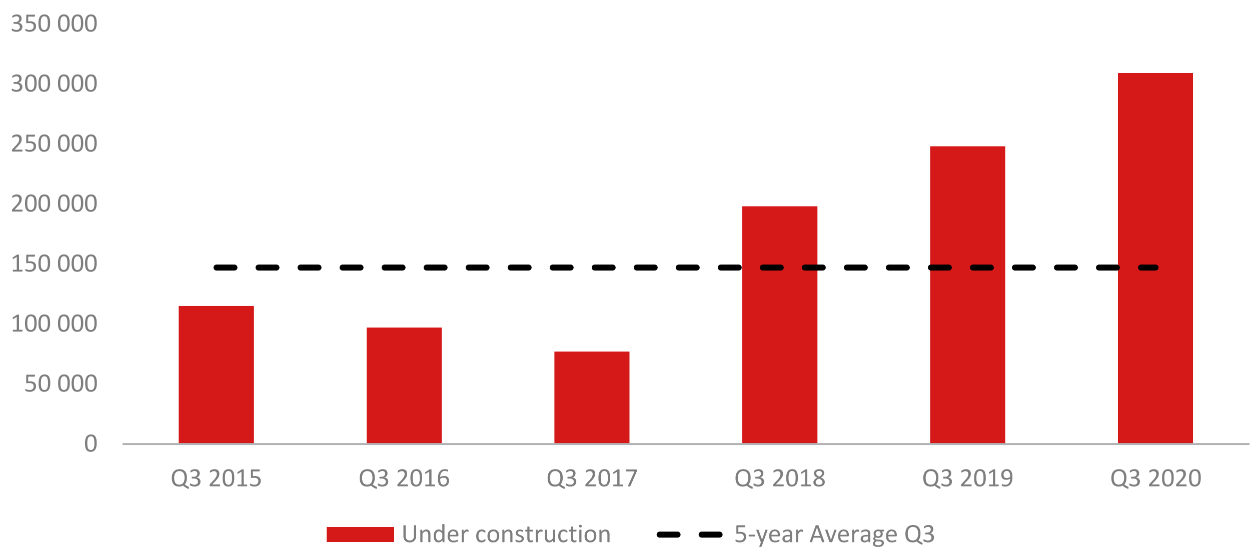
Logistics park	Owner	Size (sqm)
CTPark Bucharest West	CTP	618,000
CTPark Bucharest	CTP	493,800
P3 Bucharest A1	P3	380,000
WDP Stefanesti	WDP	254,800
VGP Timisoara	VGP	151,000
Incontro Timisoara	Incontro	134,000
Timisoara Industrial Park	Globalworth	121,200
WDP Dragomiresti	WDP	115,000
WDP Timisoara	WDP	110,000
Industrial Park Brasov	ICCO	110,000

Source: JLL, Q3 2020

3.3.1.2 Future supply in Romania

Construction activity remains high with more than 309,000 sqm of new logistics and industrial space being built in Bucharest as of Q3 2020. It is the highest level in the last five years.

Projects under construction in Bucharest



Source: JLL, Q3 2020

Note: Historic time series for the entire country is not available. Bucharest represents the dominant industrial market of Romania.

Current construction activity includes projects both in Bucharest as well as in the regional cities. Approximately 90% is constructed as built-to-suit. Speculative construction is typically low, representing between 5% and 10% of the total, the highest proportion being in Bucharest.

Pipeline for Q4 2020 (Selection)

Property	Location	Floorspace (sqm)	Type
CTPark Bucharest West	Bucharest	90,000	Expansion
CTPark Bucharest	Bucharest	30,000	Expansion
CTPark Bucharest North	Bucharest	20,000	New project
General Industrial Park	Sibiu	8,200	Expansion
Network Industrial Park	Sibiu	7,400	Expansion
Olympian Park	Brasov	7,000	Expansion
Imperial Industrial Park	Sibiu	5,400	Expansion

Source: JLL, Q3 2020

3.3.2 Demand dynamics

3.3.2.1 Take-up overview

The largest industrial transaction recorded in the first 9 months of 2020 was the acquisition of Equest Logistic Park located on the A1 Highway, at Km. 13, the most important logistics sub-market in Bucharest. Through this acquisition, CTP consolidated its position as the largest owner of industrial/logistic space in Romania and one of the two dominant players in that particular sub-market.

In Q3 2020 total rental demand for modern industrial and logistics space in Romania totalled approximately 123,600 sqm. Net take-up accounted for 84% of the total, or approximately 104,000 sqm. Bucharest had by far the largest share of total demand for industrial and logistics spaces in Q3, respectively 82% (approx. 101,000 sqm) followed by Constanta, with an 8.3% share (10,300 sqm) and Timisoara, with more than a 6% share (7,600 sqm).

The FMCG sector was the most active during Q3, accounting for 35% of total demand, or 43,600 sqm, followed by the logistics sector, with almost 22% or 26,800 sqm. In Q3 2020 there were three leasing transactions reported of at least 10,000 sqm, the average transaction size being roughly 5,000 sqm. Total demand during the first nine months of 2020 reached almost 392,300 sqm, approximately 16% above the 337,000 sqm recorded during the same period of 2019.

Major transactions in Romania (2015 – Q3 2020)

Property	Tenant	Type of tenant	Size (sqm)	Deal type	Year
WDP Stefanesti	Auchan	Retail	77,500	Relocation + expansion	2018
CTPark Bucharest West	Profi	Retail	72,000	Renewal + expansion	2019
CTPark West	Maersk	Logistics	70,000	New lease	2019
WDP Slatina	Pirelli	Automotive	62,000	Pre-lease	2019
WDP Timisoara	Profi	Retail	58,500	New Demand	2020
WDP Craiova	Profi	Retail	57,000	New Demand	2020
WDP Stefanesti	Metro	Retail	56,500	New lease	2018

CTPark Bucharest	DSV	Logistics	55,000	Renewal	2017
P3 Bucharest A1	Carrefour	Retail	45,000	Renewal	2016
WDP Deva	Carrefour	Retail	44,000	Pre-lease	2018

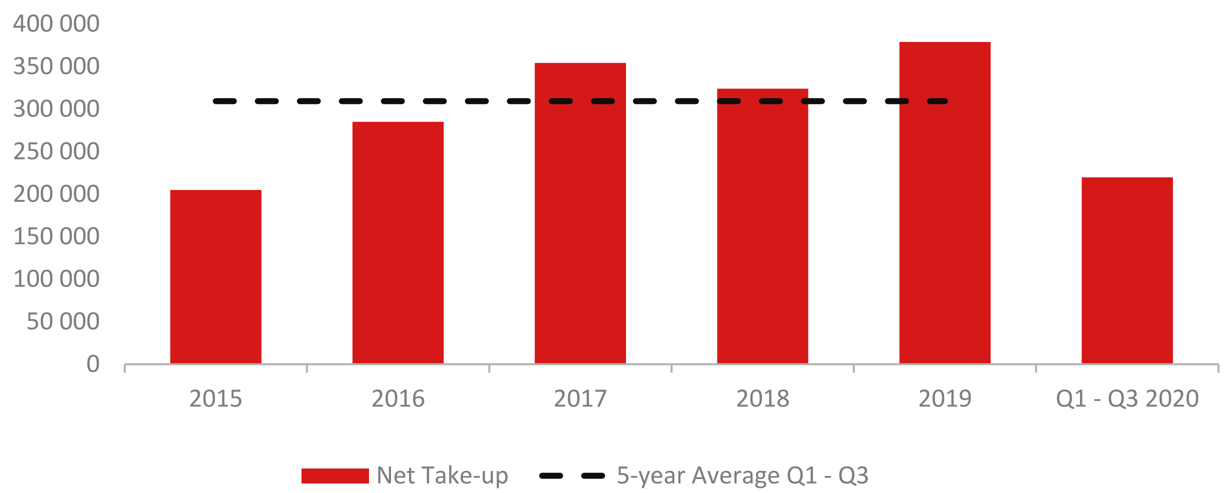
Source: JLL, Q3 2020

Major latest transactions in Romania (Q3 2020)

Property	Tenant	Type of tenant	Size (sqm)	Transaction type
WDP Stefanesti	LPP	FMCG	21,800	Expansion
P3 Bucharest A1	SLS	3PL	15,500	Relocation
Metav	Bebe Tei	FMCG	9,500	Pre-lease
CTPark Bucharest	Notino	E-commerce	7,200	New lease
Constanta Business Park	PepsiCo	FMCG	6,500	New lease
WDP Dragomiresti	Permafood	Distribution	6,500	New lease

Source: JLL, Q3 2020

Net Take-up in Romania 2015 – Q3 2020 (sqm)



Source: JLL, Q3 2020

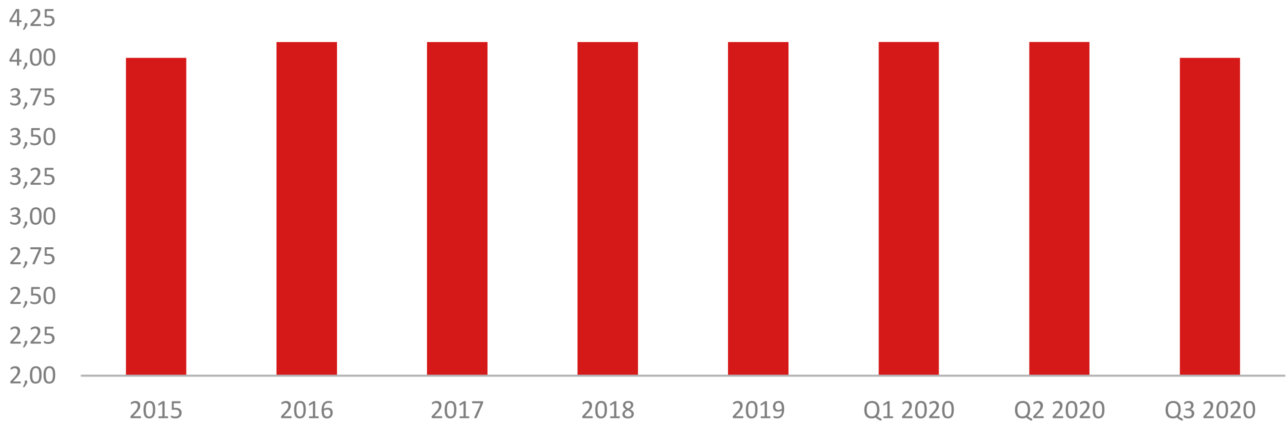
Note: Data includes only transactions above 5,000 sqm.

3.3.3 Rental Development

Rents for industrial space marginally decreased during Q3 2020, reaching between €3.6 and €4.0/sqm/month in Bucharest and its vicinity, and between €3.0 and €4.0/sqm/month in other regions of Romania.

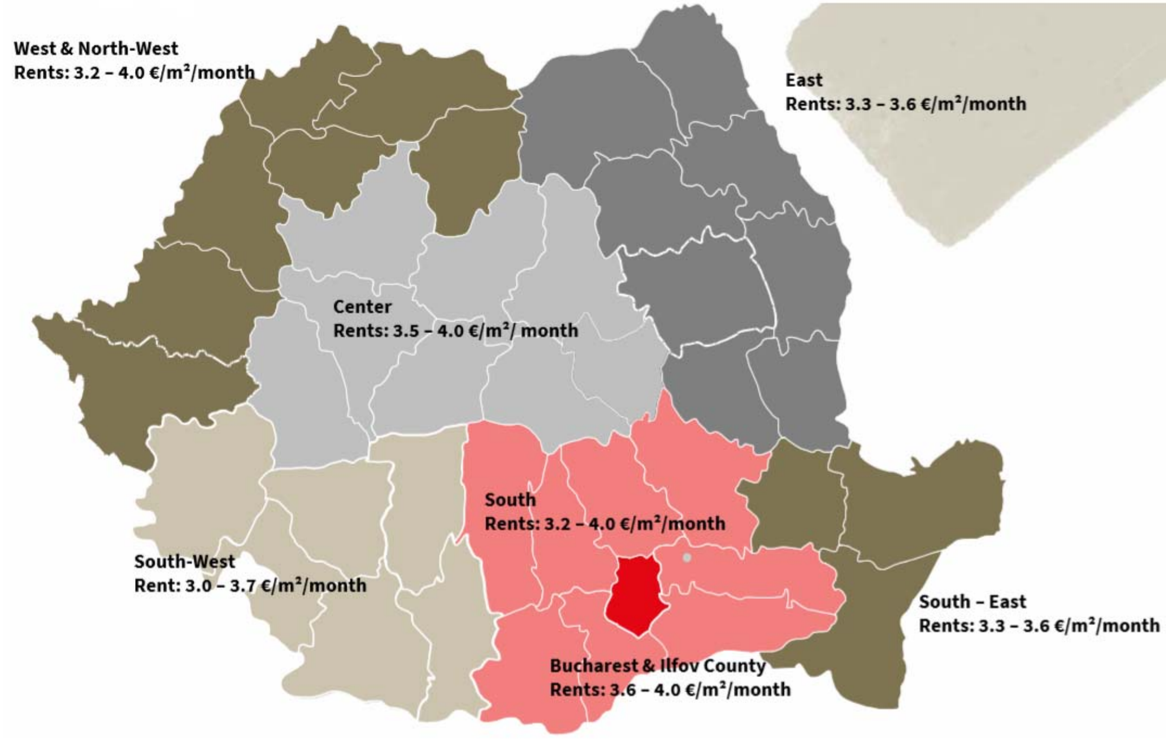
Even though the COVID-19 pandemic is continuing, it is unlikely to trigger a significant change in market rents for industrial space as demand remains robust.

Prime industrial/logistics rents in Bucharest (EUR/sqm/month)



Source: JLL, Q3 2020

Prime rents in Romania



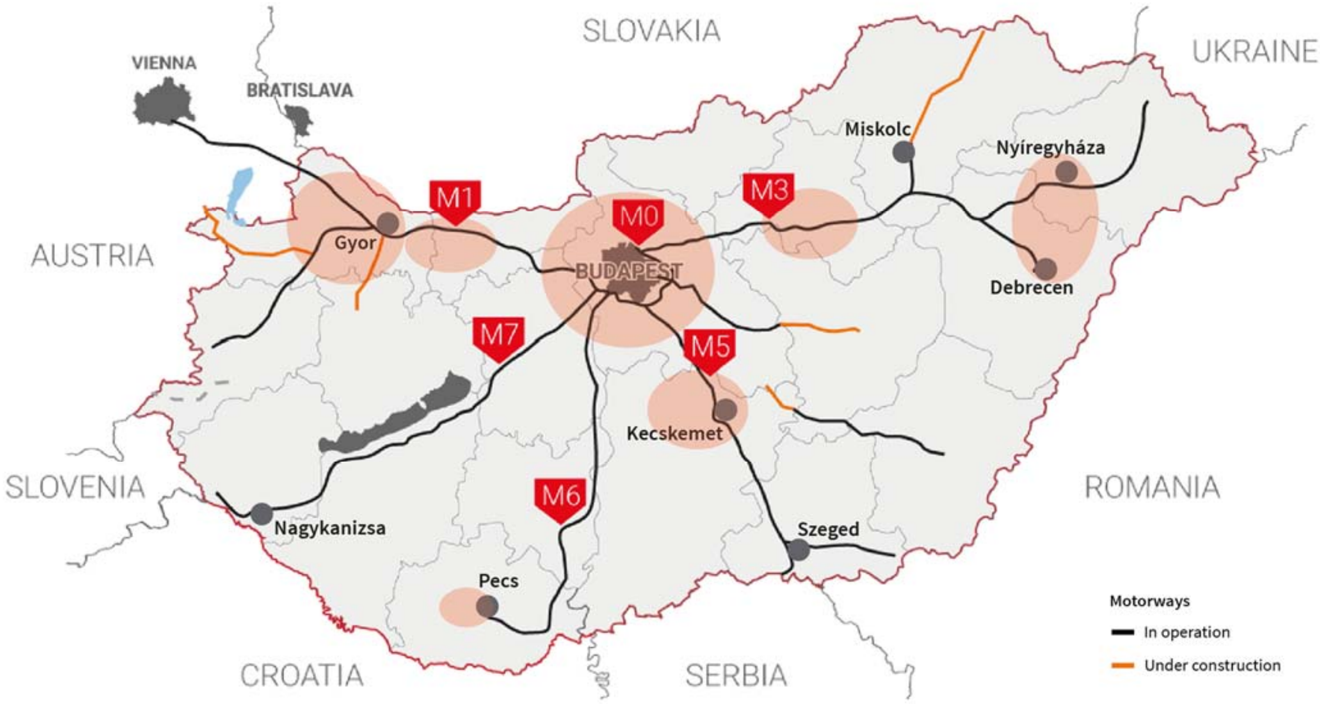
Source: JLL, Q3 2020

3.4 Hungarian Industrial Occupational Market

3.4.1 Supply dynamics

Hungary continues to attract more and more large foreign corporations to operate regional centres from Budapest or another Hungarian city in various fields, including logistics. This is largely driven by a well developed motorway network connecting the country with the wider European markets. In addition, the Budapest region has the third highest motorway density in Europe (according to Eurostat 2018) and the country is located at the crossroads of four main European transportation corridors.

Hungarian Major Transport Corridors and Logistics Hubs



Source: JLL, Q3 2020

Note: Hungarian industrial market data refers to modern stock of logistics and light industrial use of class A and B, owned by a developer or investor for lease to third parties, as well as owner-occupied stock. As market data for the entire country is not available, the data in this section refers to the capital city of Budapest and its surroundings (hereinafter Greater Budapest) which represents the dominant industrial market of Hungary. If not specified otherwise both gross and net take-up data includes transactions of all sizes.

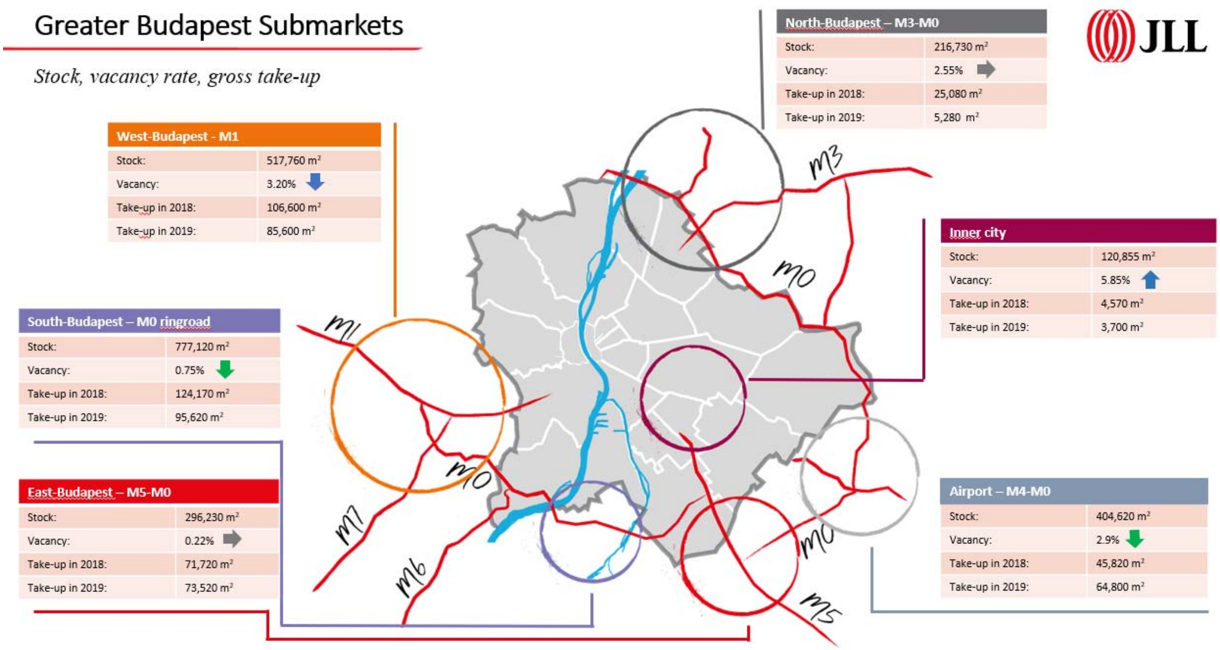
Budapest plays the main role in the Hungarian economy as the Capital, benefiting from its infrastructure and its central location in the country. As a result, the majority of industrial and logistics development activities and transactions are also concentrated in the vicinity of Budapest. Besides the Capital, there are countryside logistics locations as well, mainly county seats, where the economic and geographical conditions allow to create logistics and industrial parks.

Overall Industrial Market Statistics of Greater Budapest (Q3 2020)	
Total stock	2,351,100 sqm
New supply completed in Q1 – Q3 2020	104,200 sqm
Space Under Construction	180,000 sqm
Gross Take-up in Q1 – Q3 2020	427,700 sqm
Net Take-up in Q1 – Q3 2020	279,500 sqm
Vacancy rate	2.3%
Prime rent	4.75 EUR/sqm/month

Source: JLL, Q3 2020

3.4.1.1 Stock and supply

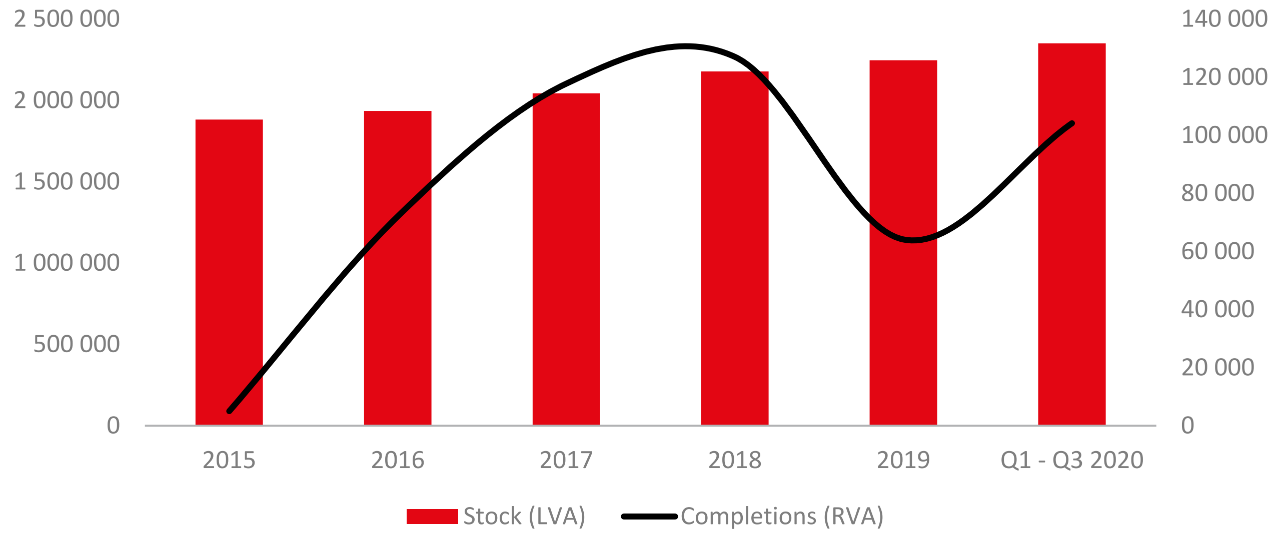
The Greater Budapest industrial stock comprises larger big box logistics parks around the M1, M7, M5, M3 and M0 highways as well as smaller inner city-logistics schemes, mainly in District 9. Currently there are over 40 modern logistics parks in Greater Budapest for letting purposes. The quality of the warehouses is in line with the Western-European standards.



Source: JLL, Q3 2020

The total modern industrial stock in Greater Budapest and its surroundings stood at 2.35 mil. sqm at the end of Q3 2020. There were no new buildings delivered in Q3 2020. In Q2 2020, 64,140 sqm of new space was added to the total modern industrial stock in Budapest and its surroundings, as the newest phase of East Gate Business Park (17,780 sqm), the new building of CTPark South (22,840 sqm), the Prologis Harbor DC11 building (13,520 sqm) and the newest phase of Budapest Dock Szabadkikötő (10,000 sqm) were completed. The Greater Budapest market suffers from a lack of potential development plots which limits the construction activities.

Industrial Stock Development and Completions in Greater Budapest (sqm)



Source: JLL, Q3 2020

From 2011 to 2015 only smaller BTS buildings were completed as vacancy was too high and there was a high supply of vacant industrial units in the Greater Budapest industrial market. In the second half of 2016 availability started to decrease again as demand became stronger. Development activity clearly picked up more recently as at the end of Q3 2020 ca. 150,000 sqm were under construction in the Greater Budapest market. This volume is expected to increase over the coming quarters, despite the fact the market started to suffer from a lack of potential development plots recently. More than 40% of the volume under construction at the end of September 2020 was already pre-let.

Largest Logistics Parks in Greater Budapest

Logistics park	City	Owner	Floor space (sqm)
BILK	Budapest	Waberers	203,600
ProLogis Park Budapest-Sziget	Szigetszentmiklós	Prologis	202,400
CTPark Budapest West	Biatorbágy	CTP Invest	159,100
ProLogis Park Budapest - Harbor	Budapest	Prologis	154,600
ProLogis Park Budapest-Gyál	Gyál	Prologis	151,800
Üllő Airport Logistics Center	Üllő	GLP Gazeley	136,100
East Gate Business Park	Fót	WING	119,100
Login Business Park	Budapest	WING	75,400
Euro-BusinessPark	Törökbálint	Logicor	70,800
ProLogis Park Budapest M1	Páty	Prologis	67,100

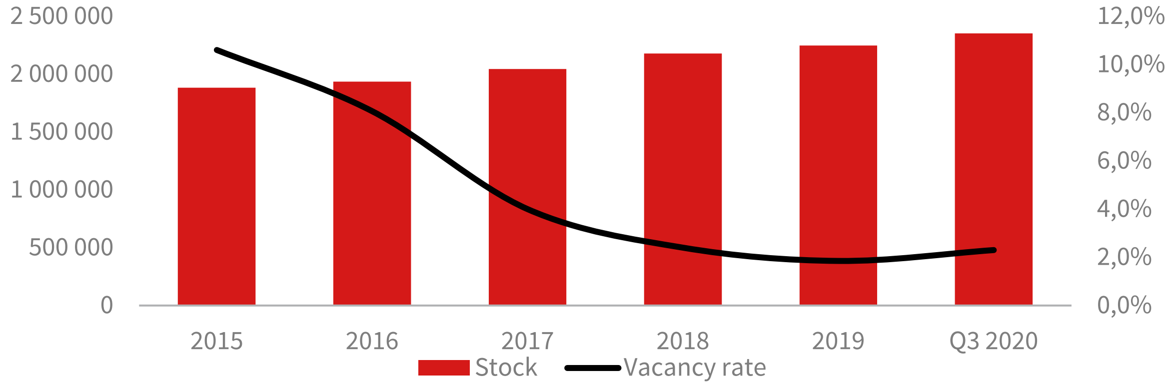
Source: JLL, Q3 2020

3.4.1.2 Vacancy

Due to a massive construction activity and the volatile market environment, the industrial market became significantly oversupplied following the 2008 global downturn. By the middle of 2013, space availability peaked at 23.8%, which was the highest vacancy rate in the history of the Budapest industrial market. It should be noted that this was based on a small market size overall and total vacant space was still limited.

Since 2013 the rate started to decrease substantially, with vacancy reaching its record low level at the end of Q4 2019 at a rate of 1.9%. It slightly increased to 2.6% by Q2 2020 due to the significant new supply. By Q3 2020, the vacancy rate began to decrease again and reached 2.3%, resulting in a 30 bps decline q-o-q, and a 20 bps decline y-o-y. At the end Q2 2020 a total of 60,900 sqm logistics area remained vacant, and there was only one existing warehouse with available space of more than 5,000 sqm.

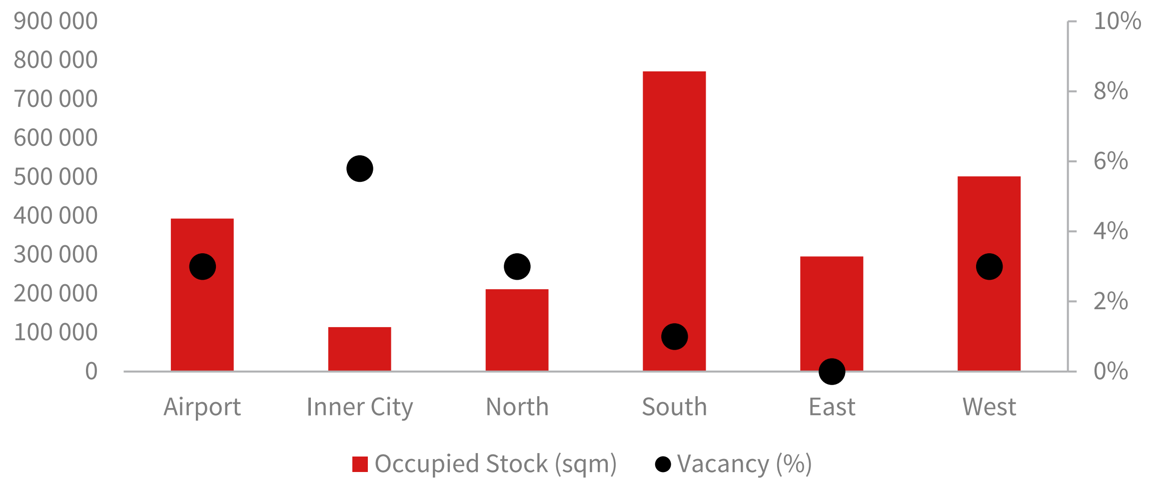
Stock and vacancy in Greater Budapest



Source: JLL, Q3 2020

In terms of submarkets, the lowest vacancy relative to stock is recorded in Budapest East with 0.2%, followed by Budapest South with 0.8%. Out of the six industrial submarkets, Inner City recorded the highest vacancy rate at 5.9%.

Vacancy by submarkets in Greater Budapest (sqm)

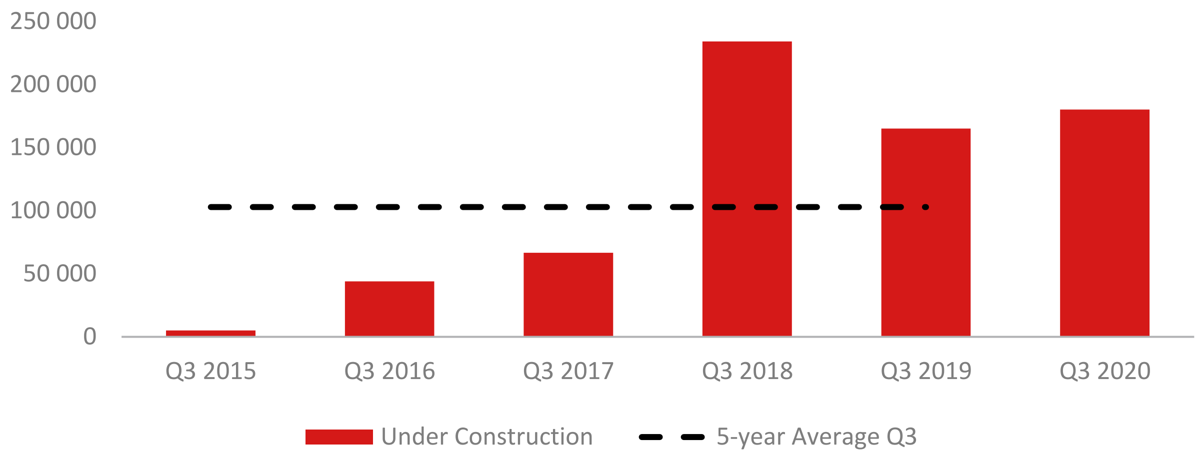


Source: JLL, Industrial Research Forum, Q3 2020

3.4.1.3 Future supply overview

Currently there is ca. 180,000 sqm of space under construction at the end of Q3, with delivery expected between Q4 2020 and the end of 2021. Out of this volume approximately 50% is already pre-let. Speculative developments are common in the market, with speculative space mainly developed by Prologis and CTP. On the other hand, the steadily increased construction prices of the past years have motivated developers to rather start to focus on BTS projects than speculative developments.

Projects Under Construction in Greater Budapest Q3 2015 – Q3 2020



Source: JLL, Q3 2020

Due to the increased demand for logistics space, developers are actively working on expanding the development potential, therefore construction activity is also dynamic in the Hungarian regions.

Development under construction in Greater Budapest with completion 2020/2021

Submarket	Developer	Industrial Park	Size (sqm)	Available	Pre-leased	Delivery
West	CTP	CTPark Budapest West	30,300	15,600	49%	2020 Q4
East	CTP	CTPark East	39,000	39,000	0%	2020 Q4
East	Weerts	Budapest East BP	12,400	0	100%	2020 Q4
West	NIPUF	Inpark Páty	3,600	0	100%	2020 Q4
West	NIPUF	Inpark Páty	6,600	0	100%	2020 Q4
South	Budapest Dock Szabadkikötő	Budapesti Szabadkikötő	12,900	1,700	87%	2021 Q2
South	CTP	CTPark South	36,400	0	100%	2021 Q2
East	Weerts	Budapest East BP	34,000	0	100%	2021 Q2
East	WING	East Gate Business Park	9,200	6,300	32%	2021 Q2

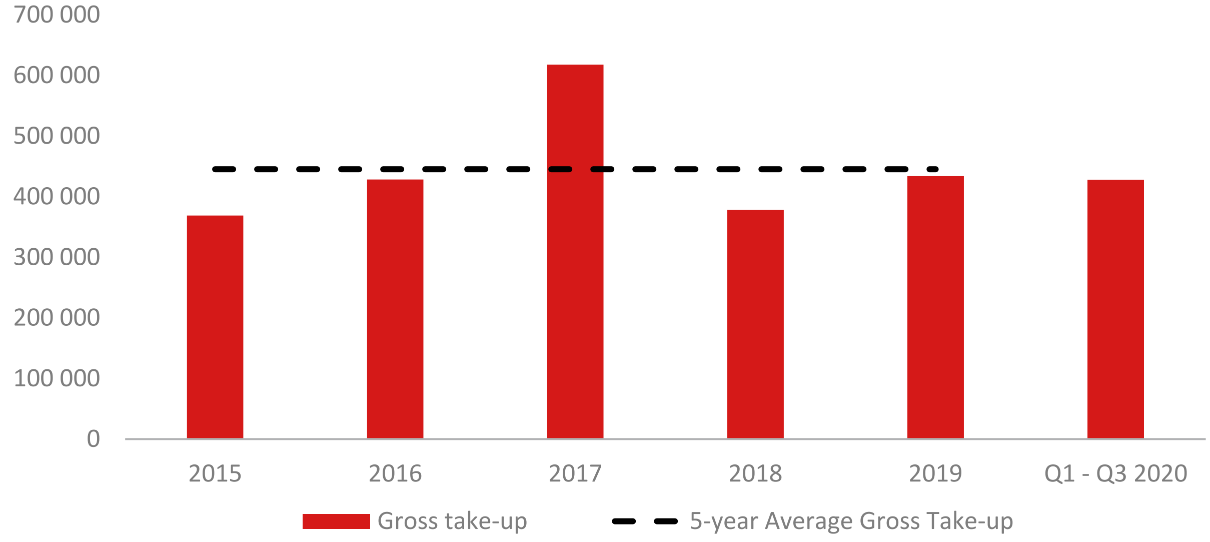
Source: JLL, Q3 2020

3.4.2 Demand dynamics

3.4.2.1 Take-up overview

After the global financial crisis, during 2014 the negative trends started to change and increased demand was felt in 2015 and 2016. In 2017 gross take-up reached a record volume of nearly 618,000 sqm. In 2018, total leasing activity reached 377,950 sqm, 11% higher than the 10-year average annual demand volume but 38% lower than the record volume of 2017. Net take-up amounted to 171,310 sqm in the same year. As the vacancy rate of the market reached a record-low level it has become more difficult for tenants to find immediately available industrial space in Greater Budapest which may, in turn, constrain take-up.

Gross Take-up in Greater Budapest 2015 – Q3 2020



Source: JLL, Q3 2020

Key New Leasing transactions in Greater Budapest in 2015 - Q3 2020

Submarket	Industrial Park	Size (sqm)	Type
Airport	Üllő Airport Logistics Center	64,400	Pre-lease
East	CTPark Budapest East	35,700	Pre-lease
South	CTPark Budapest South	28,500	Pre-lease
West	Inpark Páty	23,400	Pre-lease
East	VGP Alsónémedi	22,000	BTS
East	ProLogis Park Budapest-Gyál	19,600	New Lease
East	Viktória Business Park Üllő	19,100	New Lease
East	Viktória Business Park Üllő	18,400	New Lease

North	East Gate Business Park	17,800	New Lease
South	Prologis Park Budapest – Harbor	13,500	New Lease

Source: JLL, Q3 2020

In Q3 2020, total gross take-up in Greater Budapest reached 176,900 sqm, 14% higher than the previous year's Q3 volume, bringing the Q1 - Q3 2020 volume to 427,700 sqm which is 30% higher than the figure registered in the same period a year before.

Renewal agreements accounted for 35% in Q1 – Q3 2020, followed by new leases with a share of 27%, pre-lettings (27%) and expansions (10%). In Q3 2020 take up excluding renewals added up to 124,250 sq m.

In the third quarter of 2020, 24 leasing transactions were recorded, out of which six agreements were signed for more than 10,000 sqm. The average lease size was 7,400 sqm during the quarter. One transaction was registered at city logistics parks (1,400 sqm). Average transaction size at logistics parks was 7,600 sqm; out of the 8 deals exceeding the average size only two were renewals of expiring leases.

Key Leasing Transactions in Greater Budapest Q1 – Q3 2020

Submarket	Industrial Park	Size (sqm)	Type
East	CTPark Budapest East	35,700	Pre-lease
South	Batta Park	28,600	Renewal
South	CTPark Budapest South	28,500	Pre-lease
South	Prologis Park Budapest - Sziget	24,800	Renewal
South	Prologis Park Budapest - Sziget	20,800	Expansion
East	Viktória Business Park Üllő	19,100	New Lease
East	Viktória Business Park Üllő	18,400	New Lease
North	East Gate Business Park	17,800	New Lease
West	Prologis Park Budapest – M1	15,900	Renewal
South	Prologis Park Budapest – Harbor	13,500	New Lease
South	Prologis Park Budapest – Harbor	12,300	Renewal

Source: JLL, Q3 2020

Each of the three largest lease agreements were in excess of 25,000 sqm: a 35,700 sqm pre-lease was signed by Lenovo at CTPark Budapest East, a 28,600 sqm renewal was closed by Ceva at Batta Park and a 28,500 sqm pre-lease was concluded by a confidential client at CTPark Budapest South.

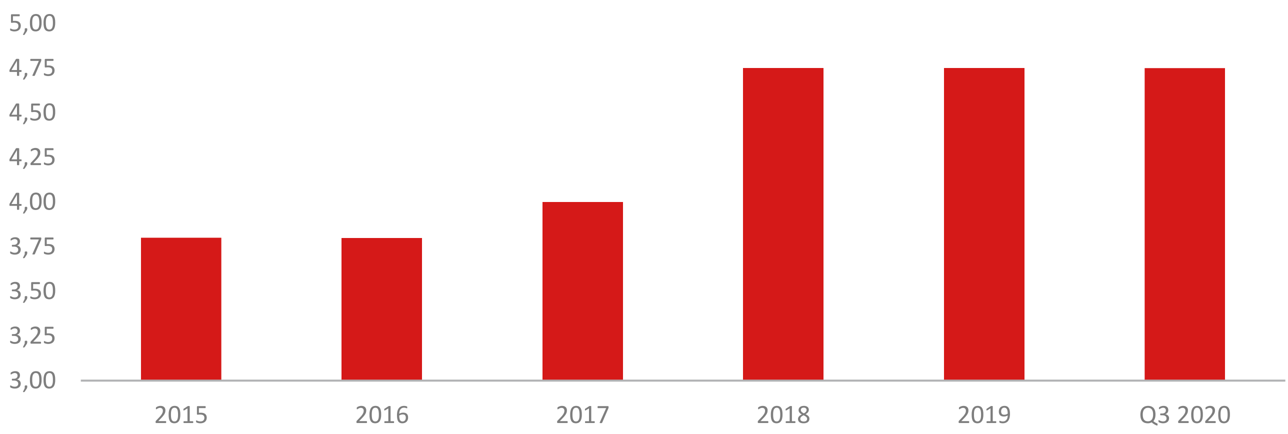
3.4.3 Rental Development

Rental levels vary depending on the size of the leased space, the logistic park's condition and its location. During the past couple of years due to high vacancy levels and subdued occupier activity, rental levels in Greater Budapest were under pressure, however as the market started to become more active again, rents began to move on a growth path.

In Q3 2020, the prime industrial/logistics rents in a typical logistics park stood at € 4.50 - 4.75 /sqm/month. The inner-city logistics locations represent a small, independent market inside of Budapest; therefore the rents are higher on these assets than in other locations, with a recorded prime rent of € 6.00 /sqm/month.

Average rents for existing buildings usually vary between 4.00 - 4.75 €/sqm/month showing approximately 2% increase during the past 12 months.

Prime Industrial/logistics rents in Greater Budapest (EUR/sqm/month)



Source: JLL, Q3 2020

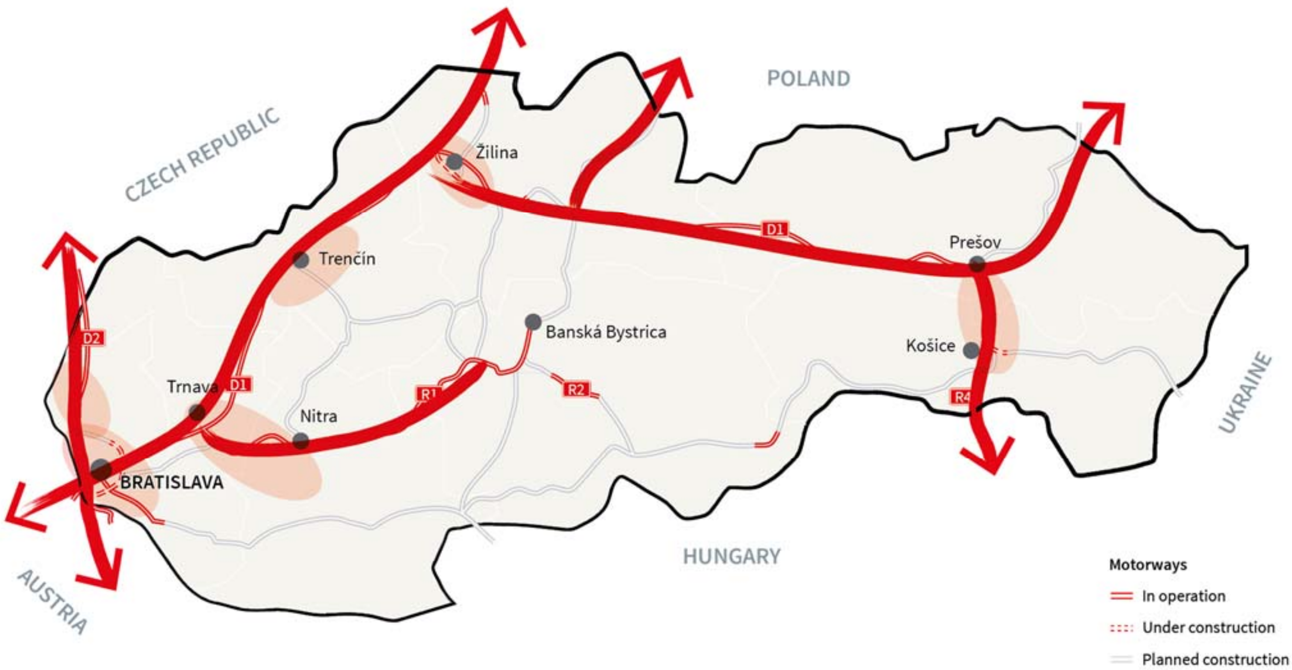
3.5 Slovak Industrial Occupational Market

3.5.1 Supply dynamics

Slovakia, along with its capital city Bratislava, are centrally located within the wider European market and benefits from a well-developed highway and rail system. Further improvement of motorway infrastructure connecting the country to the East is also continuing.

The present infrastructure is in the process of intensive development and modernization. In order to promote further economic expansion and attract foreign investments, the Slovak government is following up on the priority of connecting the western and eastern part of Slovakia with a highway running between the cities of Bratislava and Kosice.

Major Transport Corridors in Slovakia and Logistics Hubs



Source: JLL, Q3 2020

Note: Slovak industrial market data refers to modern stock of logistics and light industrial use of A class quality owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data includes transactions of all sizes.

The majority of Slovak industrial stock is located within the Bratislava region. Companies benefit mainly from the advantages that the region can offer – relatively high education levels, well-developed technical and road infrastructure, foreign investment activity and strong demand for goods and services. It is the first region in Slovakia where trade and services have overtaken industrial production.

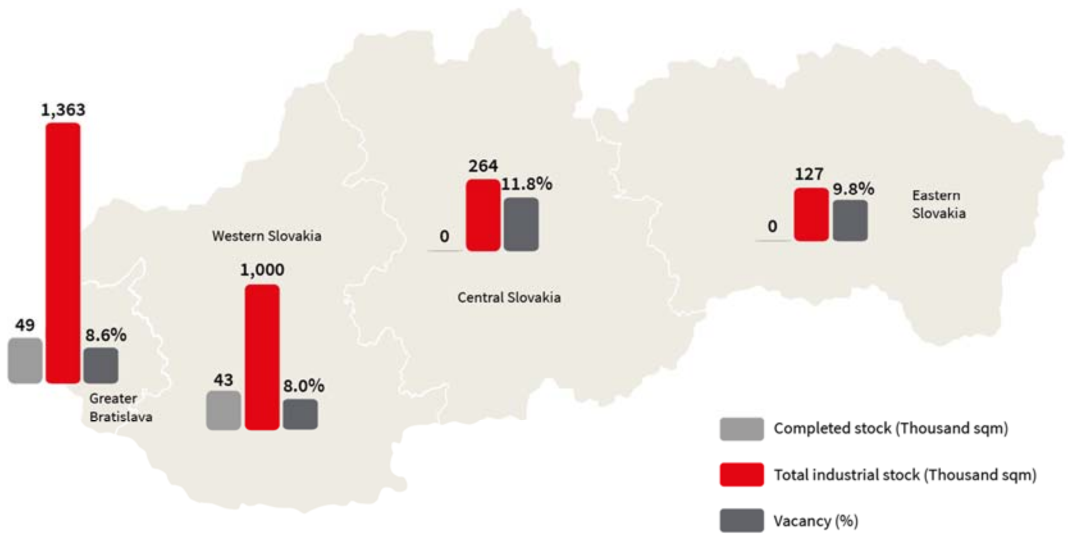
Overall Industrial Market Statistics of Slovakia (Q3 2020)	
Total stock	2,754,600 sqm
New supply completed in Q1 – Q3 2020	92,500 sqm
Space Under Construction	195,000 sqm
Gross Take-up in Q1 – Q3 2020	191,700 sqm
Net Take-up in Q1 – Q3 2020	136,800 sqm
Vacancy rate	8.7%
Prime rent	4.70 EUR/sqm/month

Source: JLL, Q3 2020

3.5.1.1 Stock and supply

By the end of Q3 2020, the total modern industrial & logistics stock in Slovakia stood at 2.75 million sqm. Western Slovakia (including Greater Bratislava) accounted for almost 86% of total stock. Greater Bratislava is the largest of the Slovak industrial regions with almost 50% share of the country's supply. On the other hand, only 9% of the recorded stock is in Central Slovakia and 5% in Eastern Slovakia.

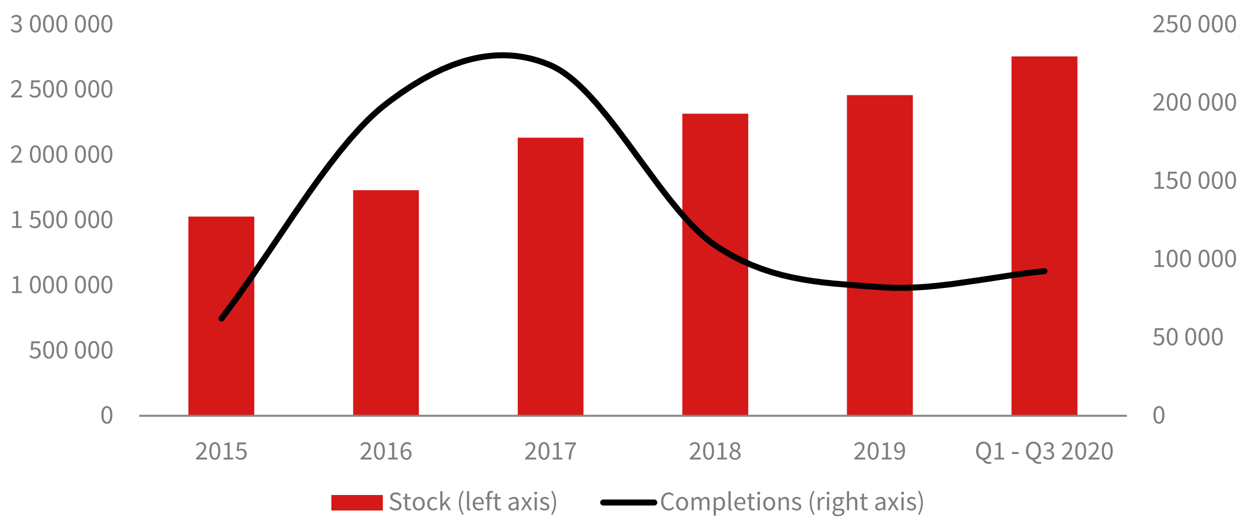
New Supply and Total Stock Distribution



Source: JLL, Q3 2020

Currently, the majority of logistics space is concentrated in the Western part of Slovakia and the Capital, Bratislava. The area is well served by the D1 and D2 highways, strategically located in the middle of the Vienna - Gyor - Budapest and the Budapest - Bratislava - Brno transport axes. The top logistics locations remain Senec, Bratislava Raca and part of the D2 highway along Devinska Nova Ves and Lozorno. Another large logistics location is situated close to Nove Mesto nad Vahom.

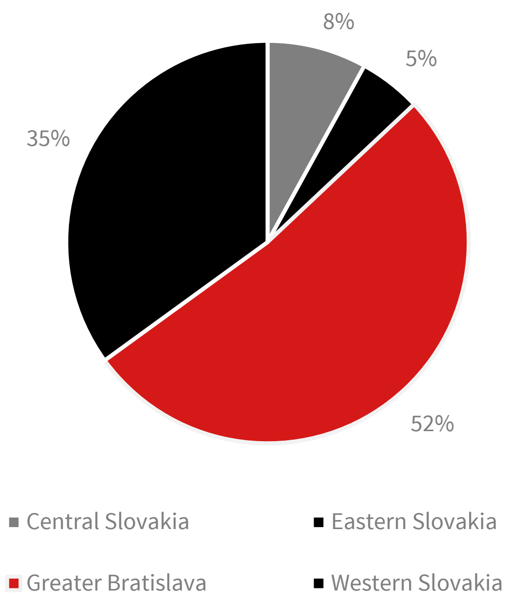
Industrial stock development and completions in Slovakia (sqm)



Source: JLL, Q3 2020

Most of the industrial stock is situated in Greater Bratislava with 1,363,000 sqm, followed by the Western Slovakia region with 1,000,00 sqm. These two regions represent a majority share of the Slovak industrial market. Central Slovakia and Eastern Slovakia regions together account for only 13% of the total share with 391,000 sqm.

Stock divided by regions (Q3 2020)



Source: JLL, Q3 2020

Largest industrial parks in Slovakia Q3 2020

Logistics park	Size (sqm)	Market share
Prologis Park Bratislava	394,400	14%
CNIC Park Galanta - Gáň	240,800	9%
P3 Bratislava D2	219,000	8%
Senec Logistics Centre	144,800	5%
Redside Park Trenčín	117,200	4%
Accentis	114,000	4%
REICO park Dubnica	105,000	4%
P3 Senec	105,000	4%
CTPark Bratislava	102,700	4%
Auto Logistics Park Lozorno	100,700	4%

Source: JLL, Q3 2020

3.5.1.2 Vacancy

The vacancy rate in Slovakia increased from 5.9% in Q4 2019 to the current level of 8.7% in Q3 2020. Majority of vacant industrial space within existing logistics parks is located in the Greater Bratislava region with nearly 120,000 sqm and in Western Slovakia.

Stock vs. Vacancy in Slovakia

Source: JLL, Q3 2020

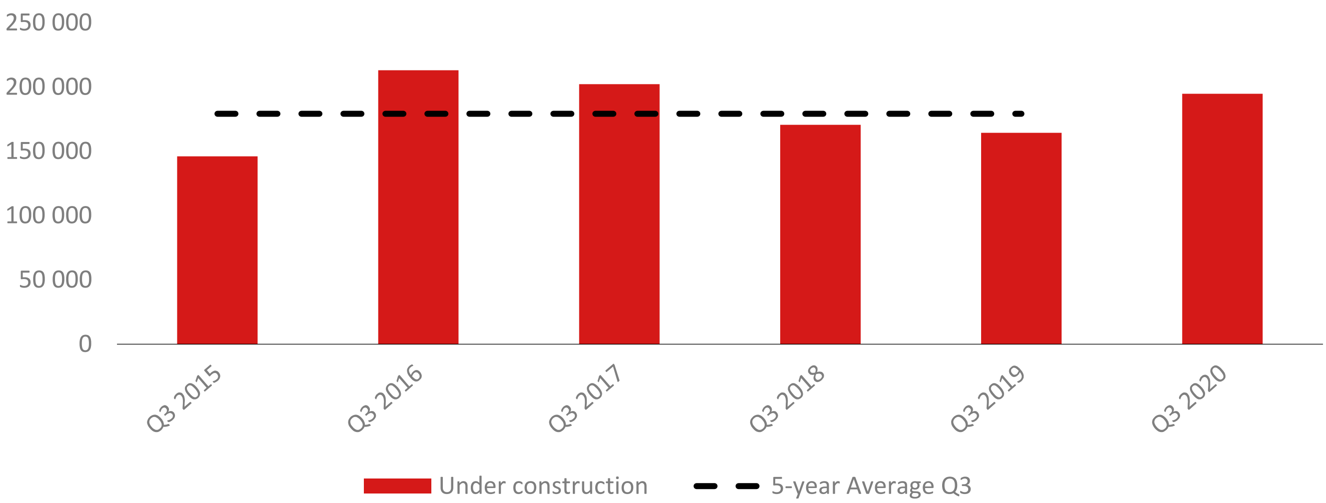
Vacancy in Slovakia Q3 2020

Source: JLL, Q3 2020

3.5.1.3 Future Supply in Slovakia

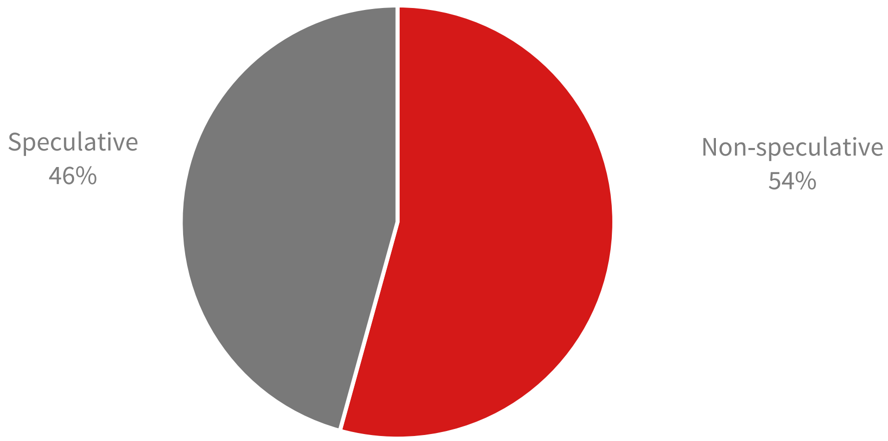
At the end of Q3 2020 the pace of construction remained above the 5-year Q3 average. The total volume of space under construction reached 194,700 sqm in Q3 2020. Compared to the same period in the previous year, the volume of projects under construction increased approximately by 18%. Nearly one third of the space is already finished and pre-leased, awaiting operation permits. Approximately 89,000 sqm was being built speculatively.

Projects Under Construction in Slovakia



Source: JLL, Q3 2020

Non-speculative vs. speculative development in Slovakia (Q3 2020)



Source: JLL, Q3 2020

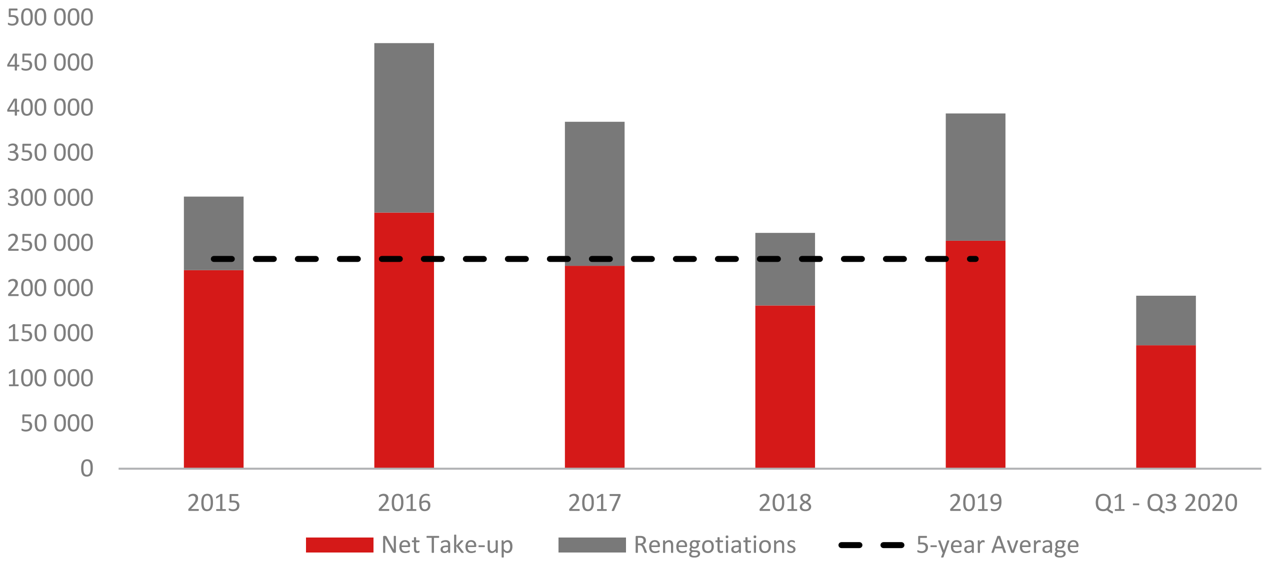
3.5.2 Demand dynamics

3.5.2.1 Take-up overview

In 2019, gross take-up in Slovakia reached 393,800 sqm. This was the second best result after 2016 over the 5-year period. Net take-up amounted to 252,700 sqm, showing an increase of 40% y-o-y.

In Q1-Q3 2020 gross take-up recorded 191,800 sqm. Net take-up reached the level of 136,800 sqm. Compared to the same period last year, the gross take-up decreased by 41% and net take-up declined by 26%. The annual comparison shows a steeper decline due to the very strong 2019 levels.

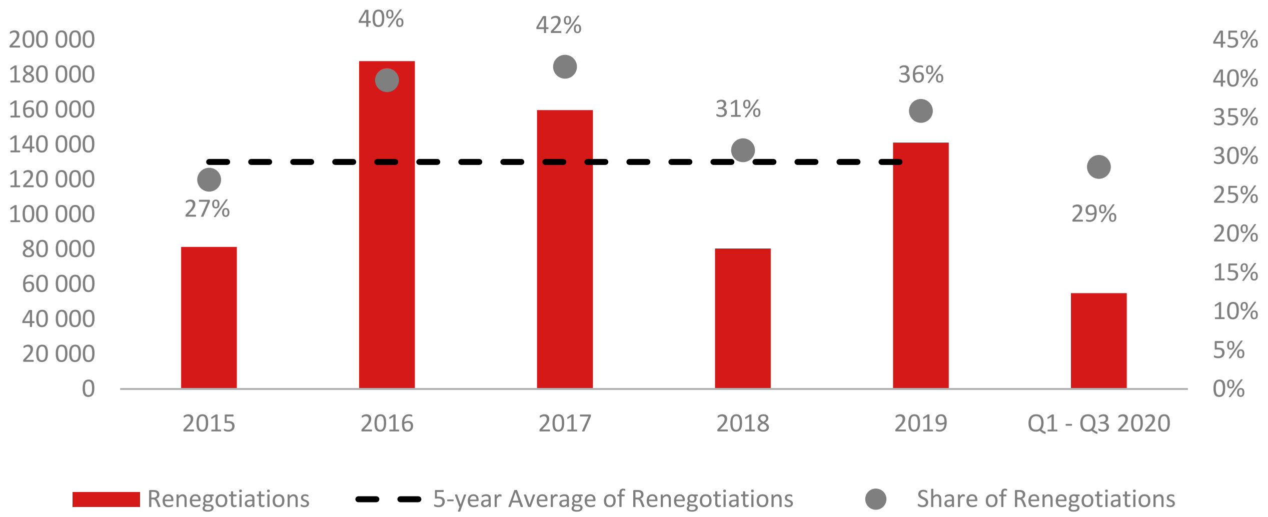
Take-up by Type of Lease in Slovakia (sqm) 2015 – Q3 2020



Source: JLL, Q3 2020

Over Q1-Q3 2020, the share of renegotiations reached 29% which is below the 5-year average. The highest share was registered in 2016 and 2017 when it stood at approximately 40% and 42% respectively.

Share of Renegotiations in Slovakia (sqm) 2015 – Q3 2020



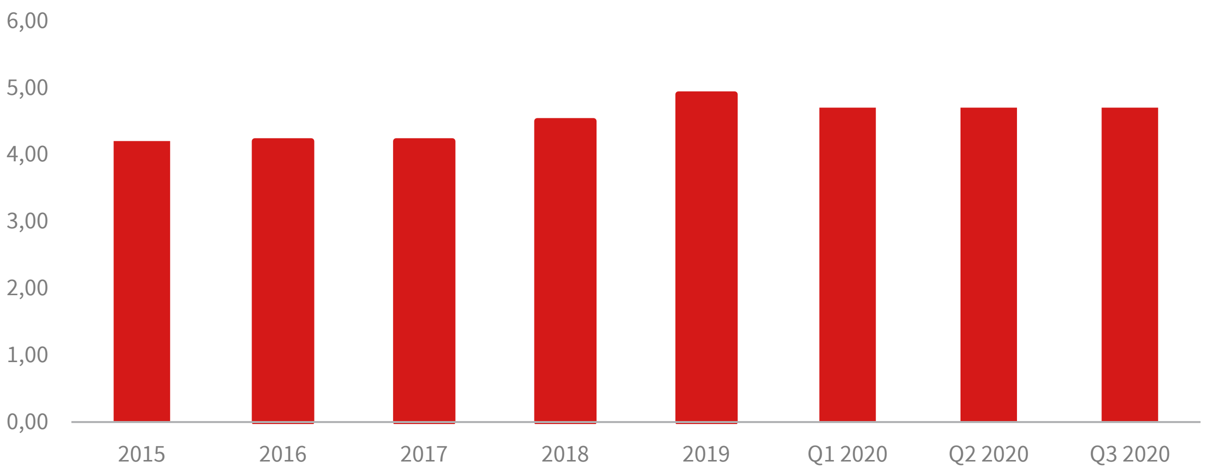
Source: JLL, Q3 2020

3.5.3 Rental Development

Headline rents continue to show a decreasing tendency in all regions across the country. This is due to increasing competition among developers, relatively high vacancy and the economic slowdown caused by the COVID-19 pandemic related measures and restrictions. All these factors, combined with general uncertainty, have created further pressure on rental levels.

Tenants continue to benefit from competitive incentive bonuses provided by developers and therefore enjoy lower effective rates. Rent free periods and fit-out contributions remain the most preferred incentives. It is not uncommon that 12+ rent free months along with additional incentives are provided to tenants in case of long lease contracts (10+ years), especially in locations with higher density of active developers.

Prime industrial/logistics rents in Slovakia/Bratislava (EUR/sqm/month)



Source: JLL, Q3 2020

Rents in prime locations of Bratislava have kept their highest levels, while the lowest rates are being reported in highly competitive regions of Greater Bratislava and Western Slovakia. The table below shows logistics and industrial rents in the Slovak regions as of Q3 2020.

Location	Prime rent from (per sq m)	Prime rent to (per sq m)
Bratislava – Prime locations	€ 4.00	€ 4.70
Greater Bratislava	€ 3.30	€ 4.00
Western Slovakia	€ 3.25	€ 3.85
Central Slovakia	€ 3.45	€ 3.90
Eastern Slovakia	€ 3.45	€ 3.80

Source: JLL, Q3 2020

3.6 Czech Investment Market

GDP in the Czech Republic is expected to fall 6.8% in 2020, with a fall in the Q4 outlook being offset by an increase seen in Q3. In the short term the outlook is challenging, as the second wave of coronavirus creates more downward pressure on the economy and markets and restrictions are likely to be maintained through Q1 2021. A rebound is anticipated in 2021 as the pandemic is brought under control by mass vaccination with GDP growth forecast at 3.2%.

The solid Q3 GDP growth of 6.9% offers some optimism that the economy will rebound again as the pandemic is contained. However, this may not occur until confidence returns and vaccination completed across the country. Trade and industrial production is expected to fare better in Q4 2020 than during the first lockdown, leading to a much less severe contraction. But we expect GDP to fall 4.6% q/q in Q4 2020.

Consumption will make up a large share of the fall in GDP in Q4. Impacted by both the second wave and the containment measures, consumer confidence has fallen and there is uncertainty for how long. Unemployment expectations and hiring intentions have also worsened. This uncertainty will induce households to build up precautionary savings, which will only be unwound later in 2021 as consumer confidence returns. Employment has held up relatively well so far, but this depends on continued fiscal support.

Retail sales figures took a significant hit; even double-digit growth in e-commerce did not manage to compensate for the overall double-digit decline.

The logistics sector entered the Covid-19 era in a good condition with strong fundamentals - historic low vacancy, strong rental growth, positive take up - and has been relatively resilient compared with other sectors.

The office sector was marked by a fall in leasing activity and by a pause in investment activity, driven mainly by lack of product than lack of investor appetite – this was true for all other sectors in the Czech Republic.

The second half of 2020 provided transactional volumes of €737 million. This represents a 54% decrease on the same period in the previous year, however it is roughly on par with H1 2020 (€756 million; excluding Residomo portfolio transaction).

The average transaction size in H2 2020 was €32 million, seen across 24 transactions in total. Volume-wise in H2, the office sector dominated with 44% of total investments followed by industrial (24%) and retail (23%). The hotel, residential and mixed-use sectors accounted for the remaining 9% of the total commercial H2 2020 volumes.

The largest transaction by volume in H2 2020 was the purchase of Churchill Square in Prague 2 sold by Penta Investment for €153 million. International capital took the majority investment share, accounting for ca 61% of the total volume, with domestic capital accounting for the remaining 39%.

The office sector was the most dominant and represented 44% of investment volume in H2 2020. The most significant office investment transactions included Churchill Square in Prague 2 sold by Penta Investment for €153 million to a joint venture of CFH and Českomoravská Nemovitostní; followed by the new J&T Bank headquarters (Rustonka 4) located in Prague 8, which transacted from Gramexo to J&T Bank for €75 – 80 million and IBC in Prague 8 sold by Mint Investments to Generali for ca. €70 million. The total office investment volume recorded for H2 2020 reached €323 million; down by 37% compared with H1 2020 The Retail sector had the third largest market share in H2 2020 with 22% primarily thanks to the Central Kladno shopping centre located in the regional city of Kladno (45 minutes from Prague) sold by Crestyl to Portiva for ca. €75 million.

In H2 2020, the retail sector witnessed six transactions. The largest transactions included the already mentioned Central Kladno; together with Velký Špalíček shopping centre situated in Brno city centre and acquired by the Roman Catholic Diocese of Brno from Generali for approximately €30 million and two Mitiska retail parks in Prague and

Litvínov purchased by Immofinanz from Mitiska REIM as part of a portfolio deal for €26 million. The total retail investment volume recorded for H2 2020 reached €165 million; a decrease of 26% compared with H1 2020.

With the largest transaction of the year in the Industrial & Logistics sector being the acquisition of a Goodman portfolio by GLP worth €123 million, the I&L sector volume totalled €181 million in H2 2020. Investor activity and appetite for this investment product continues to be strong, however, it is limited by a lack of supply of prime assets and high price expectations of sellers. In H2 2020 the I&L sector accounted for 24% of overall investment activity.

The residential sector, specifically rental apartments, had started to evidence an increased activity in investment transactions. The largest recorded deals in H2 2020 included 70 apartments in Prague-Barrandov purchased by Zeitgeist Asset Management from the residential developer Finep for approximately €20 million and MINT Living Brno Campus consisting of 120 apartments and office and retail components sold by a private individual to Mint Investments for €19+ million.

To conclude, pricing adjustments are expected in some sectors and one of the greatest concerns is around debt as margins have increased and LTVs decreased, however, banks are continuing to lend and support the prime core investment product. If an upward shift in yields occurs in some sectors, it should not be as severe as during the Global Financial Crisis because of significant amount of side-lined capital targeting real estate and general lack of product.

Our views on prime yields in H2 2020 are 4.25% in the office sector, prime industrial & logistics are at 5.25%, whilst retail parks remain at 6.00%. Prime shopping centre yields are at 5.25% and high-street properties are at 4.00%.

3.7 Romanian Investment Market

The property investment volume for Romania in 2020 is estimated at circa €900 million, a value almost 30% higher than the one registered in 2019 (€694 million).

Even though the Covid-19 outbreak had a strong impact on the Romanian macro-economic environment, the real estate investment market managed to register a healthy year on year increase (the only registered in CEE), boosted by the closing of some of the largest office transactions ever registered. Most of the transactions completed in 2020 were initiated before March, the start of the pandemic locally, with fewer projects coming to market during the rest of the year.

The focus of the owners shifted in the last 9 months on asset management initiatives and the implementation of new rules for adjusting the buildings to the ever-changing ‘new reality’, with much fewer considering disposals.

Compared to last year, the number of transactions decreased, with the average deal size increasing to €36 million.

Bucharest increased its dominance as the preferred investment destination in Romania and accounted for around 85% of the total transaction volume in 2020, followed by Timisoara, Cluj-Napoca and Pitesti.

Far more than in previous years, offices were the most liquid asset class in 2020, making up for 85% of the total market volume, while industrial accounted for over 8% and retail for only 4%.

The largest transaction registered in 2020 was the sale of the NEPI Rockcastle office portfolio, comprising three properties in Bucharest -Aviatorilor8, The Lakeview and Floreasca169 and one in Timisoara -City Business Center, with a total of approximately 120,000 sqm GLA. The buyer was AFI, one of the major developers in the Romanian market, making their first acquisition of an income producing product.

Other notable office transactions in Romania in 2020 were the sale of approximately 61.49% of the GTC portfolio to Optima, the sale of the 37,500 m^2 GLA Floreasca Park in Bucharest to Resolution Property Investment Management and Zeus Capital and the acquisition by local group Dedeman of the third phase of The Bridge -a 21,100 m^2 building part of an 80,000 m^2 office park in the Center-West of Bucharest.

The total office investment volume for 2020 reached €770 million, an all-time record for this market segment.

The largest industrial transactions in 2020 were two acquisitions made by CTP -Equest Logistic Park and A1 Business Park –both located on the A1 Highway, at Km. 13, the most important logistic sub-market in Bucharest. CTP also bought the Mob expert warehouse on the A1 Highway in a sale and lease back transaction, consolidating its position as the largest owner of industrial/logistic space in Romania and one of the two dominant players in the west of Bucharest. The limited investment activity in this segment is due to lack of product as the market is dominated by strategic players who very rarely sell.

The only significant retail transaction concluded in 2020 was the sale of Jupiter City, a 41,500 sqm shopping centre in Pitesti, bought by Supernova. Important to mention that this was closed towards the end of the year after the harsh measures retail had to face because of the pandemic.

Local capital is starting to play an increasing role in the Romanian investment market. Romanian buyers accounted for 28% of the transaction volume in 2019 over 15% in 2020 from levels close to 5% until 2017. The most active players were Dedeman, One United, Lotus Center and Element Industrial.

Prime office yields are at 7.00%, prime retail yields at 7.25%, while prime industrial yields are at 8.00%. Yields for office and industrial are at the same level as 12 months ago, while retail yields have increased by 25 bps over the year. Romania is still well positioned from a yield perspective, as the current values are still well above those registered in the last peak (2007) and those currently quoted in the rest of the region.

While it continues to be difficult to make accurate predictions as the entire economy is still very sensitive to the evolution of the pandemic, we expect that transaction volumes might slightly decrease in 2021. Nevertheless, with the vaccination process started and considering the significant amount of sidelined capital targeting real estate, these forecasts may improve during the next months. Prime yield is unlikely to change for the office and logistic segments; however we may witness pricing adjustments for non-core properties depending also on the evolution of debt availability and terms.

3.8 Hungarian Investment Market

As expected, since the outbreak of the COVID-19 pandemic in March 2020 investment activity in Hungary experienced a drop from 2019. The annual transaction volume amounted to ca. €1.25 billion, reflecting a decrease of 26% on 2019. More than 80% of this amount was generated by income producing assets, whereas the rest was made up by development site sales and the disposals of properties suitable for re-development purposes. The annual statistics also include two modern office buildings for which the agreements were signed in 2019 but financial closing was upon delivery of the assets over 2020.

Only a handful of transactions collapsed as a result of the pandemic and most of the deals were just delayed. We saw numerous examples of negotiations being halted in Q2 and then re-started after September. Some of these deals managed to close by the end of 2020, while several deals are scheduled to close only in the first half of 2021. We expect the first half of 2021 to record a very strong investment activity including some large-ticket landmark transactions.

Pricing of the various asset classes was in question during the first half of 2020. Most of the buyers were in a wait-and-see mode to make sure that they could exploit any potential drop in values. By the end of 2020 it became evident that pricing in the core and premium office segment did not change much while further yield compression was experienced in the logistics asset class. On the other hand, re-pricing in the Core+, value-add and Grade B office categories was more noticeable while interest for hotels and retail assets (save for retail warehouse parks and convenient stores) weakened.

Similarly, to previous years, domestic buyers remained very active on the market, however international buyers also closed high-profile deals, therefore the market shares of local and international purchaser were nearly even (53% and 47% respectively).

The strongest transaction activity was recorded in the office asset class, amounting to ca. 65% of the 2020 volume. The asset class typically generates ca. 45% of the annual activity and the high 2020 share reflects that as the retail and hotel asset classes became less attractive, investors turned their attention to offices as promising targets despite of the home office phenomenon.

Office transactions generated nearly €800 million in 2020, 5% above the 2019 level. The most significant deal of the year was the acquisition of a majority ownership (61.49%) of GTC SA by the Hungarian Optima Zrt from Lonestar including assets on nearly 130,000 sqm in Hungary. Furthermore, Allianz Real Estate acquired the Eiffel Square office building while the UK based Resolution Property carried out its first Hungarian transaction by purchasing two offices on the Buda side (Margit Palace and Buda Square). Spiral office building, the HQ of the Hungarian Tax Authority, was traded by GTC while the closing on Váci Greens E and Nordic Light Trio also took place.

Hungarian buyers generated 62% of the acquisitions in the asset class.

Activity in the hotel sector reached almost €150 million. More than 50% of this volume was generated by one deal: the French investment and development company, Covivo, acquired the New York Palace Hotel and New York Residence from Varde Partners. As a result of the acquisition the properties were rebranded under the Anantara Hotel & Resort brand. Further significant transaction in the asset class included the acquisition of the 185-room Barcelo Hotel, by DWS, the German asset manager.

Activity in the logistics asset class reached nearly €160million, which is the highest annual volume since 2017 and clearly indicates the strong appetite for the sector. The leading deal of the sector was the sale of Goodman's Hungarian assets as part of their Central and Eastern European platform, which was acquired by GLP.

The liquidity of the retail asset class remained limited with the exception of food anchored assets and long leases. That said, we recorded two countryside shopping centre transactions in 2020 including Indotek's acquisition of the

15,000 sqm Pécs Plaza and ERSTE RE Fund’s purchase of Target Center, a strip mall situated in Kecskemét, ca 80kms to the South of Budapest.

Based on the pipeline of transactions the beginning of 2021 will see the closing on various large-scale transactions in Hungary.

In terms of yields, we see the prime shopping centre yield standing at 6.00%, prime office yields flat at 5.25% and prime logistics compressing by 10 bps q-o-q to 6.90%.

3.9 Slovak Investment Market

Whereas investment volumes in first half of 2020 were not impacted, the consequences of the pandemic were visible in the second half of the year. Overall annual volumes are 25% lower than 5 years average, estimated at €520 million.

The Y-o-Y drop is even higher at 35% and the number of deals also decreased. H2's volume totalled just €65 million consisting of seven deals and making up 12% of the total investment volumes.

Commercial real estate trends in Slovakia do not differ considerably from global trends such as investor appetite for logistics, prime offices and data centres, however sheer numbers suggest that the majority (representing 28% of investment volume) was traded in the retail asset class, followed by the hotel and office classes.

Moderate investment activity in H2 2020 is expected to progressively increase over 2021 and investment volumes should surpass the last year. Good availability of equity mostly coming from institutional investors targeting narrower variety of property types, investments and risk profiles might cause slight yield compression in specific asset classes. Among potential beneficiaries are the logistics sector, core A-class offices, residential, data centres and niche retail (retail parks and grocery units).

Our view on prime yields as of Q4 2020 is as follows:

• Offices: 5.50% -5.75%

• Logistics/warehouses: 6.00% -6.50%

• Light industrial:6.15% -6.65%

• Shopping malls:6.00% -6.50%

• Retail parks: 7.25% -7.75%

3.10 Key Investment Transactions

Key CEE industrial transactions per country over the past 5 years are presented below.

Country	City	Project Name	Year	GLA (sqm)	Est. Price (mil. EUR)	Capital Value (EUR)	Initial Yield	Seller	Buyer
Czech Republic	various	Goodman Portfolio	2020	107,000	123	1,151	Unknown	Goodman	GLP
Czech Republic	various	Contera Portfolio (90%)	2019	120,000	90	750	6.90%	Contera	TPG
Czech Republic	Dobroviz	Amazon AEW	2019	125,000	135	1,080	Confidential	AEW Europe	Samsung Securities
Czech Republic	various	CTP portfolio	2018	430,000	458	1,065	Confidential	CTP	DEKA
Czech Republic	Plzen	Stage Capital Portfolio	2017	155,000	126	810	Confidential	Stage Capital	CBRE Global Investors
Czech Republic	various	P3 Logistic Parks portfolio	2016	1,030,000	761	739	Confidential	TPG / P3	GIC
Hungary	Üllő	Goodman Porfolio	2020	136,000	100	735	Unknown	Goodman	GLP
Hungary	various	Regional Portfolio	2019	83,000	30	355	Unknown	M7 Real Estate	CNIC
Hungary	Vecses	Aerozone Business Park	2019	62,035	45	725	7.50%	M7 Real Estate	Confidential
Hungary	Vecses	Aerozone Logistics Park	2017	62,035	34	551	8.75%	CAImmo&Union	M7 Real Estate
Hungary	Budapest	South Pest Business Park	2017	32,282	28	852	8.50%	WING	Diófa RE Fund
Romania	Bucharest	Equest Logistic Park	2020	57,000	30	526	Unknown	Forum Serdika	CTP
Romania	Bucharest	Industrial Park on A1km13	2019	68,000	40	588	Unknown	Vabeld	CTP
Romania	various	Logicor Portfolio (5 assets)	2017	unknown	78	n/a	Unknown	Blackstone	CIC
Romania	various	P3 Logistic Parks portfolio	2016	300,000	117	390	Confidential	TPG / P3	GIC
Romania	Bucharest	Bucharest West	2015	130,000	63	485	Confidential	Portland Trust	CTP
Serbia	Belgrade	Kuehne + Nagel	2020	17,000	20	1,176	Unknown	KokirGradnja	BIG Shopping Centers
Serbia	Petrovaradin	fmr Pobeda	2020	75,000	50	667	Unknown	MK Group	Marera Properties
Serbia	Stara Pazova	Logmaxx Alpha	2019	18,000	15	833	Unknown	Eyemaxx	Unknown
Serbia	Belgrade	Avala Ada & Fabrika Hartije	2018	55,000	133	2,418	Unknown	Kappa Star	Smurfit Kappa
Serbia	Belgrade	Phoenix Pharma	2018	12,000	10	833	Unknown	Unknown	CTP
Slovakia	Senec	Goodman Senec	2020	114,000	80	700	6.20%	Goodman	GLP
Slovakia	Senec	Palmira Park Senec	2020	127,194	83	653	Unknown	Palmira	Point Park Properties P3
Slovakia	Bratislava	Vector Parks	2019	117,000	101	859	Confidential	Macquarie IRA	TPG
Slovakia	Galanta	Prologis Galanta	2017	241,000	125	519	Confidential	Prologis	CNIC
Slovakia	various	P3 Logistic Parks portfolio (SK part)	2016	214,356	134	623	7.25%	TPG / P3	GIC

Source: JLL, Q3 2020

4 Valuation Method

The calculation of the Market Value for the vast majority of the properties has been based on the Discounted Cash Flow (DCF) method.

Development properties have been valued applying the residual method and the land bank has been valued applying the comparable method.

4.1 Discounted Cash Flow Method

With the Discounted Cash Flow (DCF) method, the future cash flows of each investment property are determined and discounted to the valuation date. The derived net present value (current value) or capital value calculated in this way represents the current market value of the property.

This is an internationally recognized approach to valuation, based on transparent, dynamic and explicit valuation parameters to determine the Market Value. Initially all future cash flows (both revenues and costs) are explicitly determined over a ten-year period. At the end of this period, a terminal value is calculated, by effectively capitalizing the future projected net cash flow generated by the property. The Assumptions made for the model reflect comparable analysis and decisions that we consider would have been made by investors active in the market as at the effective date of valuation.

The cash flows for the relevant year of the detailed forecasting period are calculated as follows:

- The current rental income (gross rent) at full occupancy (gross rental income) is reduced by income deductions based on current vacancies in the first year or assumed structural vacancies in the following years 2 to 10. The amount thus determined represents the current rent. After deducting non-recoverable costs, the net rental income is determined. The annual net rental income constitutes the net cash flow before taxes and debt service.

The calculation of the terminal value after Year 10 is carried out as follows:

- The terminal value is calculated by capitalizing the current net Market Rent with Exit Yield. By means of the property-specific capitalization rate, the net operating income (NOI) represented by net market rent is capitalized into perpetuity.

The capitalized terminal value, like the cash flows of the detailed planning period, is discounted to the date of valuation.

In the valuation we have applied discount rates that reflect the opportunity and risk aspects of the market yield demanded by investors and consists of an interest rate for a risk-free investment as well as a premium to account for specific investment risks associated with real estate investments. Theoretically, the discount rate is composed of a Risk-Free Interest Rate, a Market Specific Risk and a Property Related Risk.

Overall, the adopted discount rate is equivalent to a return that would be expected by potential investors to compensate for the specific investment risk. The predominant factors affecting the discount rate are focused on the security of the cash flow, i.e. conditions of lease contracts, strength of tenant covenants, weighted average lease term (WALT), letting risk of the vacant areas, re-letting risk of terminated lease contracts, property market, quality and type of the building, alternative usability, location quality and the potential of the rental growth, etc.

4.2 Residual Method

The residual method is so called since it indicates the residual amount after deducting all known or anticipated costs required to complete the development from the anticipated value of the project when completed after consideration of the risks associated with completion of the project. This is known as the residual value.

It should be noted that the residual value can be highly sensitive to relatively small changes in the forecast cash flows

The Residual Value takes into account the different factors associated with a conversion or reconstruction of a property. The aim of this approach to valuation is to determine the objective value of the land, which is either undeveloped or not optimally used. The residual value is determined as follows:

Step1:

Depending on the respective project development and the intended exit scenario of the project, the Gross Development Value (exit value) has been assessed on the basis of the investment method (direct capitalisation for rental scenarios).

The Gross Development Value is determined after completion and full letting of the planned development.

This value is determined by subtracting the non-transferable costs (such as property maintenance, management and administration) from the potentially achievable rent. The non-transferable management costs for commercial or residential property are usually borne by the owner. Through the capitalisation of the remaining net rental income in perpetuity, the potential market value (after deducting the purchaser's costs) can be determined.

Step 2:

Subsequently, the estimated total development costs are subtracted from the Gross Development Value of the completed development in order to determine the Residual Value.

The development costs include the construction costs as well as other costs necessary for the construction of the building (including the project development profit in particular). The construction costs are based on the information provided by the client, which we have reviewed for plausibility, as well as our market knowledge.

Step 3:

The difference between the Gross Development Value and the total development costs (including developer's profit) results in the Residual Value. In order to derive the Residual Value, additional financing costs as well as purchaser's costs for the site are deducted. Thus, the determined Residual Value represents the value which an investor would be willing to pay for the site / property under the given economic conditions.

4.3 Comparison Method

The Sales Comparison Approach is most useful when a number of similar properties have recently been sold or are currently for sale in the subject property market. Using this approach, a value indication is derived by comparing the subject property to prices of similar properties. The sale prices of the properties that are judged to be most comparable tend to indicate a range in which the value indication for the subject property will fall. The degree of similarity or difference between the subject property and the comparable sales is estimated by considering various elements of comparison. Adjustments are then applied to the sale prices of the comparables because the prices of these properties are known, while the value of the subject property is not.

The Sales Comparison Approach was used to assess the Market Value of some of the reconstructed buildings in Ponavka, CTZone Ostrava as well as the properties contained within the Land bank.

In our opinion, the result of the valuation methods mirrors the economic view that would be taken by the majority of active market participants as at the effective date of valuation and reflects the Market Value.

5 General Valuation Assumptions

5.1 Assumptions and Sources of Information

An assumption is defined in the Glossary to the RICS Valuation – Professional Standards (current Edition) published by the Royal Institution of Chartered Surveyors to be a 'supposition taken to be true' ('assumption'). Assumptions are:

'Facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, needs not be verified by a valuer as part of the valuation process.'

In undertaking our valuation, we have made a number of assumptions and have relied on certain sources of information. Where appropriate, we have let the client confirm that our assumptions are correct to the best of their knowledge. In the event that any of these assumptions prove to be incorrect, then our valuation would require to be reviewed.

5.2 Title / Legal Restrictions / Building and Other Encumbrances

Information regarding title, legal restrictions, building and other encumbrances has been made available to JLL. A random sampling of the information based on the documents provided was carried out. No discrepancies or points of concern were identified.

We have made the assumption that the copies of all relevant documents for the properties that have been made available to us are complete, correct and up to date.

Moreover, based on the above and a random sampling of the available information we identified no points of concern and have made the assumption that the properties have good and marketable freehold or leasehold title in each case and that the properties are free from any depreciating rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoings.

As is normal valuation practice, we have also assumed that the properties are free from mortgages, charges or other financially relevant encumbrances. Furthermore, no account has been taken in our valuation of any goodwill that may arise from the present occupation of the properties.

5.3 Contamination and Soil Conditions

We have not undertaken nor been instructed to conduct a formal environmental assessment; therefore, we have not carried out any investigation into past uses, either of the properties or any adjacent land to establish whether there is any potential for contamination from such uses or sites.

We have assumed that there are no abnormal ground conditions or contamination, which are sufficient to affect value or adversely affect the present or future occupation or development of the properties. Should suspicion regarding contamination arise in the future, environmental assessment reports would need to be acquired and, in the case, where any contamination is detected, the valuation would need to be appropriately adjusted.

We have also made the assumption that no archaeological remains are present, which might adversely affect the present or future occupation, development or value of any of the properties.

5.4 Condition and Structural Inspections, Materials

We have not undertaken nor been instructed to conduct a formal condition or structural survey; however, where building deficiencies were identified during the internal or external inspections, they were subsequently reflected in the valuation.

The results of the inspections are based exclusively on visual examinations, with no guarantee as to the completeness of the information presented. Unless otherwise informed by the client, we have made the assumption that the properties are free from any mildew, infestation, adverse toxic chemical treatments and structural or design defects.

We have not investigated whether high-alumina cement, calcium-chloride additive or any other deleterious materials have been used in the construction or in any alterations of any of the properties. For the purposes of this valuation, unless otherwise informed by the client, we have made the assumption that any such investigation would not reveal the presence of such materials.

No mining, geological or other investigations have been undertaken to certify that the foundations of the properties are free from any defects. Unless otherwise informed by the client, we have made the assumption that the load-bearing qualities of the sites of the properties are sufficient to support the buildings constructed thereon.

5.5 Building Law

We have made the assumption that the buildings have been constructed in full compliance with valid local planning and building regulations, that all necessary certifications have been obtained and that there are no outstanding statutory notices as to their construction, use or occupation. Furthermore, we have made the assumption that the existing uses of the properties are duly authorized or established, and that no adverse planning conditions or restrictions apply.

5.6 Town and Traffic Planning

We have made the assumption that the existing or planned uses of the properties are duly authorized or established, and that no adverse planning conditions or restrictions apply.

5.7 Technical Equipment, Plant & Machinery

During our inspections, no tests have been carried out pertaining to the electrical, electronic, heating, plant and machinery equipment or any other services, nor have the drains been tested. Unless otherwise informed by the client, we have made the assumption that all services to the properties are in good functioning condition.

No allowance has been made in this valuation for any items of plant or machinery that do not form part of the service installations of the properties. We have specifically excluded all items of plant, machinery and equipment installed wholly or primarily in connection with the businesses of the occupants.

The technical equipment of the properties such as passenger and goods lifts and other means of transportation, heating systems and further technical installations have been considered as integral components of the properties.

5.8 Areas

The valuation is based on the information provided by the client.

We have not measured the properties but have applied floor areas provided by the client. We have assumed that these areas have been measured and calculated in accordance with the current market practice where the properties are located.

5.9 Leases and Tenancy Information

Information regarding rental units, contractual rents, lease terms, rental terms and where applicable, publicly subsidized units was made available to JLL by the client. A random sampling of the information was verified based on documents provided by the client. No abnormalities were detected.

We have made the assumption that copies of all relevant documents for the properties that have been made available to us are complete, correct and up to date and that such documents have been verified by the client.

For the purpose of the valuation, we have not undertaken investigations into the financial strength of the tenants. Unless we have become aware by general knowledge or we have been specifically advised to the contrary, we have made the assumption that the tenants are financially in a position to meet their current obligations. Unless otherwise advised, we have also made the assumption that there are no material arrears of rent or service charges, breaches of covenants or current or anticipated tenant disputes.

5.10 Taxes, Fees and Charges

No information has been made available to JLL regarding taxes, fees and charges. We have made the assumption that all public taxes, fees, charges, etc. which could have an influence on the value, have been levied and if applicable, had been paid at the time of this valuation.

5.11 Insurance Policies

At the date of the valuation, JLL was not aware of whether or to what extent insurance policies existed to limit the risks resulting from business activities (e.g. property insurance, liability insurance and construction insurance). As neither supporting nor contrary information was made available by the client or known by JLL, we have made the assumption that any potential claims are covered with regard to the insurance level and type by valid insurance policies.

5.12 Information

We have based our valuation assumptions on reliable sources of information provided by the client. Should our assumptions prove to be incorrect, our valuations could be affected and would have to be adjusted accordingly.

6 Specific Valuation Assumptions

The CTP real estate portfolio is located in the Czech Republic (66.0 % of total Market Value), Romania (17.0 % of total Market Value), Hungary (7.7 % of total Market Value), Slovakia (6.7 % of total Market Value) and Serbia, Poland, Bulgaria, Slovenia, Austria all accounting for 2.6 % of total Market Value. In this section, we have focused on the main markets including Czech Republic, Romania, Hungary and Slovakia.

6.1 Czech Republic

Estimating the Market Value of the subject property we have made allowances for the following:

1) For most of the properties our analyses adopt a 10-year cash flow approach to reflect the initial income and any agreed rent indexation reverting to the Estimated Rental Value after expiry of the current leases. For the purpose of this valuation we have assumed that the current tenants will remain in the premises for the agreed lease term if there is any penalty for exercising the lease break option. When there is no penalty for exercising the break option, we have assumed that the tenant will use the first possible break option.
2) For part of the portfolio, where a cash flow approach was not applicable, we have utilized the sales comparison approach.
3) We have assumed that after termination (first possible break) of the current lease contracts new 5-year leases will be signed, our ERV (Estimated Rental Value) will be applied and the rents will be indexed each lease anniversary in line with EU CPI, if not mentioned otherwise in the tenancy schedule.
4) In general, we have adopted the following Estimated Rental Values for office, warehouse and production premises:

ERV - Industrial Premises (EUR / sq m / mth)

Location	Warehouse	Production	Office	Sanitary
Ponavka	5.50	5.50	9.50	9.50
CTPark Aš	3.95	3.95	8.50	5.50
CTPark Blatnice	3.85	3.85	8.50	5.50
CTPark Blucina	4.15	4.30	8.50	5.50
CTPark Bor	4.25	4.50	8.50	5.50
CTPark Brno	4.45	4.60	8.75	5.75
CTPark Brno South	4.45	4.60	8.75	5.75
CTPark Cerhovice	4.25	4.50	8.50	5.50
CTPark Ceska Lipa	4.00	4.25	8.50	5.50
CTPark Divišov	4.00	4.25	8.50	5.50
CTPark Hlubočky	3.25	3.25	6.50	4.50
CTPark Hranice	3.5 - 4.0	3.75	8.00	5.00
CTPark Humpolec	4.30	4.45	8.50	5.50
CTPark Jihlava	4.30	4.50	8.50	5.50
CTPark Kadan	4.00	4.20	8.50	5.50
CTPark Karvina	4.00	4.20	8.00	5.00
CTPark Kvasiny	4.35	4.50	8.50	5.50
CTPark Liberec	4.25	4.50	8.50	5.50
CTPark Lipnik	4.10	4.25	8.50	5.50
CTPark Louny	4.25	4.50	8.50	5.50

CTPark Mlada Boleslav	4.30	4.45	8.50	5.50
CTPark Modřice	4.45	4.60	8.75	5.75
CTPark Most	4.25	4.50	8.50	5.50
CTPark Nosovice	3.90	4.00	8.00	5.00
CTPark Novy Jicin	4.00	4.25	8.50	5.50
CTPark Nový Jičín	4.00	4.25	8.50	5.50
CTPark Okříšky	4.00	4.00	8.50	5.50
CTPark Ostrava	4.10	4.25	8.50	5.50
CTPark Pardubice	4.25	4.50	8.50	5.50
CTPark Plana	4.25	4.50	8.50	5.50
CTPark Pohořelice	4.00	-	8.50	5.50
CTPark Prague East	4.45	4.60	8.75	5.75
CTPark Prestice	4.00	4.25	8.50	5.50
CTPark Usti	4.20	4.45	8.50	5.50
CTPark Zakupy	4.25	4.50	8.50	5.50
CTPark Zatec	4.00	4.20	8.50	5.50

ERV - Office Premises (EUR / sq m / mth)

Location	Property Name	Office	Storage	Parking
CTPark Modřice	AXIS OFFICE BUILDINGS	9.00	4.00	30-40
CTPark Ostrava	AXIS OFFICE BUILDINGS	9.75	4.00	35
IQ Ostrava	IQ Ostrava	12.25	8.25	95
Ponávka	CTOffice (A1, A2, A3)	10.00	5.00	65
Spielberk Office Centre	Villa (L, K, J, G, H)	13.00	6.00	80
Spielberk Office Centre	IQ Building (C, D, E, F)	13.00	6.00	80
Spielberk Office Centre	Tower I	13.25	6.00	80
Vlněna	Building (A, B, F, G, H)	13.75	7.00	100

5) The industrial premises which were indicated as a mixture of a production and warehouse were approached on an property by property basis considering the operations of the tenants and technical specifications of individual buildings.
6) ERVs for extra fit-outs, parking, if the case, were approached on an individual case by basis per property.
7) After the termination of existing leases (first break option) we have adopted an expiry void of 4 to 8 months for industrial premises and 4 to 12 months for office premises. The assumed voids are used to cover the time and the cost of marketing, re-letting and possible reconstruction. The voids were applied to each of the buildings within the portfolio.
8) For currently vacant industrial premises we have adopted an initial void of 8 months. For currently vacant office and retail premises we have applied an initial void on an individual basis as appropriate. The applied initial voids are described in the individual property sheets.
9) We have deducted an allowance for non-recoverable expenses at the level 1% of gross income.
10) We have deducted CAPEX as described in section 2.2.4
11) To calculate the exit value, we have adopted the following exit yield assumptions:

Industrial Properties

- For properties in CTPark Prague East and CTPark Prague West we have adopted an exit yield of 5.25%.
- For properties in CTPark Modřice, CTPark Brno, CTPark Brno South, CTPark Plzeň and CTPark Bor we have adopted an exit yield of 5.50%.
- For properties in CTPark Ostrava and CTBoxes Ponávka we have adopted an exit yield of 5.75%.
- For Properties in CTPark Pardubice, CTPark Novy Jicin, CTPark Pohořelice, CTPark Mlada Boleslav, CTPark Humpolec, CTPark Kvasiny, CTPark Nosovice, CTPark Blucina, CTPark Cerhovice, CTPark Plana, CTPark Zakupy, CTPark Divišov, CTPark Liberec and CTPark Jihlava we have adopted an exit yield of 5.90%.
- For Properties in CTPark Most, CTPark Usti, CTPark As, CTPark Prestice, CTPark Ceska Lipa, CTPark Zatec, CTPark Kadan, CTPark Karvina and CTPark Blatnice we have adopted an exit yield of 6.00%.
- Other industrial premises were approached on individual basis. The exit yields for those projects are described in individual property sheets.

Office Properties

- For other office projects, the exit yields were calculated on an individual property by property basis. The exit yields for those projects are described in individual property sheets.

12) The exit value was calculated based on ERV.
13) The Exit Yields and Discount Rates applied for our valuations are specified in the valuation summary presented in Appendix 1.
14) The cash flow that was used for the calculation was discounted either quarterly or monthly depending on the frequency of the rent payments.
15) The expected income and the expected operating costs of the solar power panels were adopted in line with the information provided by the Client.
16) 17)16) For the calculation of the Market Value of the solar energy power panels we have calculated the Net Present Value of the future cash flows and we have adopted the discount rate of 9.00%. The income and the costs were provided to us by the Client.

6.2 Romania

For the income producing assets, noted as "standing investments" in the valuation, for the estimation of the Market Value of the subject property, we have made allowances for the following:

1) Our analyses adopt a 10-year cash flow approach to reflect the initial income and any agreed rent indexation reverting to the Estimated Rental Value after expiry of the current leases. For the purpose of this valuation we have assumed that the current tenants will stay in the premises for the agreed lease term if there is any penalty or incentive, not exercising the lease break option. When there is no penalty or incentive, for exercising the break option, we have assumed that the tenant will use the first possible break option.
2) We have assumed that after termination (first possible break) of the current lease contracts new 5-year leases will be signed, our ERV (Estimated Rental Value) will be applied and the rents will be indexed each lease anniversary in line with EU CPI, if not mentioned otherwise in the tenancy schedule.
3) In general, we have adopted the following Estimated Rental Values for office, warehouse and production premises:

ERV - Industrial Premises (EUR / sq m / mth)

Location	Warehouse	Production	Office	Sanitary	Mezzanine
CTPark Bucharest	3.8-4.0	4.35	6.5-8.0	5.50	1.70
CTPark Bucharest - A1	3.8-4.1	-	2.5-6.5	5.50	1-1.7
CTPark Bucharest -Upsilon	3.75	-	5-5.5	-	-
CTPark Bucharest -Gamma	3.75-4.5	-	8.50	5.50	1.70
CTPark Bucharest Stefanesti	3.50	-	7.50	5.50	1.70
CTPark Bucharest Kappa Chitila	4.50	-	8.00	5.50	-
CTPark Bucharest II	3.75	-	8.00	5.50	-
CTPark Bucharest West I	3.6-3.75	-	6.5-8.0	5.50	1.70
CTPark Bucharest West II	3-3.8	-	7.5-8.0	5.50	-
CTPark West II Cateasca	3.50	4.50	6.5-8.5	5.50	1.70
CTPark TIMISOARA	4.00	-	6.5-7.5	5.50	1.70
CTPark DEVA	3.5-4.5	-	7.5-8.5	5.50	1.70
CTPark ARAD	3.0-3.5	-	4.5-7.5	5.50	1.70
CTPark SALONTA	-	4.50	6.50	5.50	-
CTPark INEU	3.80	4.50	6.50	-	-
CTPark TURDA	-	4.75	8.50	5.50	1.70
CTPark SIBIU	3.75	4.75	8.50	5.50	1.70
CTPark CLUJ	3.75-4.0	-	8.50	5.50	1.70

4) The industrial premises which were indicated as a mixture of a production and warehouse were approached on an individual basis considering the operations of the tenants and technical specifications of buildings.
5) ERVs for extra fit-outs, parking, if the case, were approached on an individual case by basis per property.
6) After the termination of existing leases (first break option) we have adopted an expiry void of 4 to 10 months for industrial premises, considering that the leases in place expire within sufficient time to market the property. The expiry void is in line with the probability of reletting assuming similar to current market conditions and considering a pre-expiry period available to the owner, usually 12 months before the unit vacates in line with the actual tenant's notice for exit.

7) The assumed voids are used to cover the time and the cost of marketing, re-letting and possible reconstruction. The voids were adopted to each of the building within the portfolio.
8) For currently vacant industrial premises we have adopted an initial void of 8 to 18 months, estimated based on the potential to attract a tenant. A lower void is assumed for good quality premises and a higher void for obsolete premises. For currently vacant office premises we have applied an initial void on an individual property by property bases.
9) We understand that non-recoverable expenses per portfolio are low, typically within 0-2%; however, we have deducted an allowance for non-recoverable expenses. For good premises we have assumed non recoverable costs at the level 1.5% subject to exceptions. For regional premises we have deducted 2.5% for more obsolete units. We have assumed 3%, 5% for Deva Offices and 10% for Bucharest A1 – unit BUCH28 due to limited interest for its upper floor;
10) We have deducted CAPEX as described in section 2.2.4.
11) The exit value was calculated based on ERV.
12) The Exit Yields and Discount Rates applied for our valuations are specified in the valuation summary presented in Appendix 1.
13) The cash flow that was used for the calculation was discounted either quarterly or monthly depending on the frequency of the rent payments.

6.3 Hungary

Estimating the Market Value of the subject property we have made allowances for the following:

1) Our analyses adopt a 10-year cash flow approach to reflect the initial income and any agreed rent indexation reverting to the Estimated Rental Value after expiry of the current leases. For the purpose of this valuation we have assumed that the current tenants will stay in the premises for the agreed lease term if there is any penalty or incentive, not exercising the lease break option. When there is no penalty or incentive, for exercising the break option, we have assumed that the tenant will use the first possible break option.
2) We have assumed that after termination (first possible break) of the current lease contracts new 5-year leases will be signed, our ERV (Estimated Rental Value) will be applied and the rents will be indexed each lease anniversary in line with EU CPI, if not mentioned otherwise in the tenancy schedule.
3) In general, we have adopted the following Estimated Rental Values for office, warehouse and production premises:

ERV - Industrial Premises (EUR / sq m / mth)

Location	Warehouse	Production	Office	Sanitary
CTPark Gyor	4.50	-	8.00	5.50
CTPark Tatabanya	4.25	-	8.00	5.50
CTPark Ullo	4.50	-	6.50	5.00
CTPark BIA Rozalia	3.75	-	5.50	5.00
CTPark BIA WestLOG	4.00	-	5.00	2.00
CTPark BIA	4.50	-	8.00	5.50
CTPark Szombathely	3.90	3.90	3.90	3.90
CTPark Szekesfehervar	3.75	-	6.00	4.50
CTPark Komarom	3.75	-	6.00	5.00
CTPark Dunaharaszti	4.75	-	9.00	9.00

4) The industrial premises which were indicated as a mixture of a production and warehouse were approached on an individual basis considering the operations of the tenants and technical specifications of buildings.
5) ERVs for extra fit-outs, parking, if the case, were approached on an individual case by basis per property.
6) After the termination of existing leases (first break option) we have adopted an expiry void of 6 months. The assumed voids are used to cover the time and the cost of marketing, re-letting and possible reconstruction. The voids were applied to each of the buildings within the portfolio.
7) For currently vacant industrial premises we have adopted an initial void of 6 months. For currently vacant office and retail premises we have applied an initial void on individual bases.
8) We have deducted an allowance for non-recoverable expenses at the level 1% of gross income.
9) The exit value was calculated based on ERV.
10) The Exit Yields and Discount Rates applied for our valuations are specified in the valuation summary presented in Appendix 1.
11) The cash flow that was used for the calculation was discounted either quarterly or monthly depending on the frequency of the rent payments.

6.4 Slovakia

Estimating the Market Value of the subject property we have made allowances for the following:

1) For most of the properties our analyses adopt a 10-year cash flow approach to reflect the initial income and any agreed rent indexation reverting to the Estimated Rental Value after expiry of the current leases. For the purpose of this valuation we have assumed that the current tenants will remain in the premises for the agreed lease term if there is any penalty for exercising the lease break option. When there is no penalty for exercising the break option, we have assumed that the tenant will use the first possible break option.
2) We have assumed that after termination (first possible break) of the current lease contracts new 5-year leases will be signed, our ERV (Estimated Rental Value) will be applied and the rents will be indexed each lease anniversary in line with HICP, if not mentioned otherwise in the tenancy schedule.
3) In general, we have adopted the following Estimated Rental Values for office, warehouse and production premises:

ERV - Industrial Premises (EUR / sq m / mth)

Location	Warehouse/Production	Office	Sanitary
CTPark Trnava	3.65 – 3.75	8.00	5.50
CTPark Voderady	4.00	8.50	5.50
CTPark Žilina	3.50 - 4.15	8.00	5.50
CTPark Bratislava	4.00 – 5.00	8.00 - 8.50	5.50
CTPark Košice	3.75 - 4.50	8.50	5.50
CTPark Hlohovec	2.75 - 4.00	8.50	5.50
CTPark Krásno nad Kysucou	3.95	8.50	5.50
CTPark Nitra	3.75 - 4.00	8.00	5.50
CTPark Nové Mesto	3.95 - 4.15	8.00 - 8.50	5.50

4) The industrial premises which were indicated as a mixture of a production and warehouse were approached on an individual basis considering the operations of the tenants and technical specifications of buildings.
5) ERVs for extra fit-outs, parking, if the case, were approached on an individual case by basis per property.
6) After the termination of existing leases (first break option) we have adopted an expiry void of 4 -9 months for the premises. The assumed voids are used to cover the time and the cost of marketing, re-letting and possible reconstruction. The voids were applied to each of the buildings within the portfolio.
7) For currently vacant premises we have adopted an initial void of 6 - 10 months.
8) We understand that non-recoverable expenses per portfolio are low and we have deducted an allowance for non-recoverable expenses at the level 2.0% to 7.0% of gross income.
9) After expiry of the current lease agreements we have adopted the annual indexation according to the HICP (at the level of 1.9%, applied on the anniversary of signing the lease agreement);
10) We have deducted CAPEX as described in section 2.2.4
11) The exit value was calculated based on ERV.
12) The Exit Yields and Discount Rates applied for our valuations are specified in the valuation summary presented in Appendix 1.
13) The cash flow that was used for the calculation was discounted either quarterly or monthly depending on the frequency of the rent payments.

6.5 Development Properties - Valuation Assumptions

1) We have used the direct capitalization method in order to calculate the Gross Development Value of the property.
2) For properties with pre-lets (FLA) we have applied the pre-agreed lease terms. For vacant space we have assessed the ERV.
3) We have applied non-recoverable costs at 1.0% - 2% of Gross Rental Income.
4) We have applied 3.0% from the gross income as the allowance for on-going vacancy in office properties.
5) To calculate the value of the properties we have applied the following capitalization rates:

Property Number	Country	Location	Property	Yield/ Cap Rate
P 01	CZ	CTPark Bor	B 7 extension (Unit F)	5.50%
P 03	CZ	CTPark Plzen	BP 22	5.50%
P 08	CZ	CTPark Cheb	CHE 1.1	6.00%
P 18	CZ	CTPark Brno Líšeň	ZET 2	5.50%
P 20	CZ	CTPark Brno Líšeň	ZET 6	5.50%
P 21	CZ	CTPark Brno Líšeň	ZET 7	5.50%
P 23	CZ	Vlněna Office Park	Building C	6.00%
P 24	CZ	Vlněna Office Park	Building D	6.00%
P 25	CZ	Vlněna Office Park	Building E	6.00%
P 26	SK	CTPark Žilina	ZG 3 - Unit A	7.00%
P 28	SK	CTPark Bratislava	BRA 4	6.45%
P 31	SK	CTPark Trnava	TRN 14b	7.00%
P 32	SK	CTPark Prešov	PR 1	7.50%
P 33	HU	CTPark Budapest West	BIA 5	7.00%
P 36	HU	CTPark Budapest South (Dunaharszti)	DHR 2	7.00%
P 47	SK	CTPark Trnava	TRN 9 A	6.50%
P 51	RO	CTPark Bucharest North	BUN 1 (Phase 2, 3)	8.90%
P 52	CZ	CTPark Bor	B 12 Primark	5.25%
P 54	CZ	CTPark Prague East	NU 3	5.40%
P 55	RO	CTPark Timisoara	TIM 3	8.00%
P 57	RO	CTPark Turda	TU 4	8.90%
P 58	HU	CTPark Budapest East	ULL 5	9.25%
P 60	RS	CTPark Kragujevac	KRG 2	9.00%
P 61	CZ	CTPark Bor	B 11	5.25%
P 62	CZ	CTPark Plzen	BP 24 CTBox	5.50%
P 63	CZ	CTPark Plzen	BP 25	5.40%
P 64	CZ	CTPark Ostrava Poruba	OP 1	5.75%
P 65	CZ	CTPark Žatec	ZA 3 - Unit A	6.00%
P 66	CZ	Ponávka	Domeq II / III	n/a
P 68	CZ	CTPark Nošovice	NO 1 Unit D Phase I	5.90%
P 69	CZ	Vlněna Office Park	Building I	6.00%
P 70	CZ	CTPark Ostrava	O 26 Unit A	5.75%
P 74	HU	CTPark Biatorbágy	BIA 8	7.00%
P 76	SK	CTPark Košice	KSC 13 Unit A	6.85%
P 77	RO	CTPark Bucharest	BUCH 11	8.00%

6) We have made allowance for the timing of the development and had regard to the lead in period, for construction, any void period and rent-free period.
7) From the Net Development Value we have deducted the estimated outstanding development costs including hard costs, soft costs, financing costs and developers profit.
8) The construction costs were provided by the Client, which we have verified against the market standards.
9) Soft costs were applied at 6% from the remaining construction costs for industrial properties and at 9% for office property.
10) Finance costs were applied at 2.75%.
11) Developer's Profit was estimated as a % of total development cost and was based on the level of construction and pre-lets as described in the table below.

Developer's Profit Assumptions

Construction status	Pre-let status (%)				
	0-20	21-40	41-60	61-80	80-100
Construction commenced and under 25% spent	15-20	12.5-17.5	10-15	7.5-12.5	5-10
Construction commenced and 25 - 50% spent	15-20	12.5-17.5	10-15	7.5-12.5	5-10
Construction commenced and over 50% of budget spent	12.5-17.5	10-15	7.5-12.5	5-10	2.5-7.5

6.6 Land bank - Valuation Assumptions

Based on our analysis of the comparable evidence, we have applied the following rates for the valuation of the land bank.

Land bank Valuation Summary

Property Number	Location	Country	Area (sq m)	Value per sq m (EUR)
L 01	CTPark Bor	CZ	118,372	40.0
L 02	CTPark Brno South	CZ	407,960	20.0
L 03	CTPark Cerhovice	CZ	212,574	28.0
L 04	CTPark Divišov	CZ	1,242	29.0
L 05	CTPark Hranice	CZ	89,383	20.0
L 06	CTPark Hrušky	CZ	175,110	28.0
L 07	CTPark Lipník nad Bečvou	CZ	77,043	20.0
L 08	CTPark Litice	CZ	52,653	3.0
L 09	CTPark Modřice	CZ	26,840	55.0
L 10	CTPark Ostrava	CZ	19,928	43.0
L 11	CTPark Planá nad Lužnicí	CZ	47,470	20.0
L 12	CTPark Jirny	CZ	166,988	15.0
L 13	CTPark Žatec	CZ	28,736	19.0
L 14	Ponávka	CZ	6,585	375.0
L 15	CTZone Ostrava	CZ	13,627	43.0
L 16	CTPark Blučina	CZ	3,257	50.0
L 17	Brno - Přízřenice	CZ	11,757	45.0
L 18	Brno Retail Park	CZ	194,177	150.0
L 19	Ostrava - Náměstí republiky	CZ	8,749	200.0
L 20	CTPark Ostrava Poruba	CZ	153,537	43.0
L 21	Valašské Meziříčí	CZ	3,635	70.0
L 22	Vlněna Office Park	CZ	4,601	400.0
L 23	Vratimov	CZ	2,337	15.0
L 24	CTPark Brno - D1 Exit	CZ	83,439	30.0
L 25	CTPark Brno II	CZ	71,118	65.0
L 26	CTPark Brno III - Piskovna	CZ	63,119	22.0
L 27	CTPark Nošovice	CZ	14,970	30.0
L 28	CTPark České Budějovice	CZ	159,725	45.0
L 29	CTPark Prague North	CZ	620,763	60.0
L 30	CTPark Prague East	CZ	12,502	80.0
L 31	CTPark Mladá Boleslav II	CZ	21,528	40.0
L 32	CTPark Blatnice	CZ	201,181	20.0

L 33	CTPark Nový Jičín	CZ	20,730	35.0
L 34	CTPark Zákupy	CZ	20,615	25.0
L 35	CTPark Kvasiny	CZ	56,180	70.0
L 36	CTPark Cheb	CZ	29,394	35.0
L 37	CTPark Most	CZ	17,716	30.0
L 38	CTPark Česká Lípa	CZ	34,419	25.0
L 39	CTPark Veselí nad Lužnicí	CZ	5,604	20.0
L 40	CTPark Holubice	CZ	24,327	45.0
L 41	CTPark Přeštice	CZ	18,427	50.0
L 42	CTPark Karviná	CZ	11,000	30.0
L 43	CTPark Žatec II	CZ	13,458	19.0
L 44	CTPark Kadaň	CZ	109,272	40.0
L 45	CTPark Brno Líšeň	CZ	84,527	115.0
L 46	CTPark Hradec Kralove	CZ	51,465	41.0
L 47	CTPark Prague West	CZ	47,380	60.0
L 48	CTPark As	CZ	127,927	22.5
L 49	CTPark Prešov	SK	432,683	25.0
L 50	CTPark Martin	SK	12,812	35.0
L 51	CTPark Bratislava	SK	20,726	85.0
L 52	CTPark Trnava	SK	198,003	30.0
L 53	CTPark Voderady	SK	49,999	30.0
L 54	CTPark Žilina	SK	15,533	35.0
L 55	CTPark Košice	SK	24,792	55.0
L 56	CTP Bratislava City	SK	142,360	100.0
L 57	CTPark Trnava II	SK	317,505	30.0
L 58	CTPark Kecskemét	HU	60,833	25.0
L 59	CTPark Arrabona	HU	49,463	35.0
L 60	CTPark Budapest East (Üllő)	HU	140,394	27.0
L 61	CTPark Budapest West (Biatorbagy)	HU	123,549	55.0
L 62	CTPark Maglód	HU	3,364	25.0
L 63	CTPark Opole	PL	80,015	25.0
L 64	CTPark Ilowa	PL	339,736	16.0
L 65	CTPark Zabrze	PL	210,297	24.0
L 66	CTPark Pitesti	RO	94,952	15.7
L 67	CTPark Turda	RO	108,327	24.6
L 68	CTPark Bucharest West - part II	RO	115,846	27.0
L 69	CTPark Deva II	RO	18,000	12.0
L 70	CTPark Bucharest - part I	RO	153,398	37.8
L 71	CTPark Ineu	RO	11,259	9.9

L 72	CTPark Bucharest Chitila	RO	21,785	46.6
L 73	CTPark Bucharest West - part I	RO	200,977	27.0
L 74	CTPark Salonta	RO	30,368	11.7
L 75	CTPark Timisoara III	RO	65,559	30.6
L 76	CTPark Sibiu	RO	69,240	29.8
L 77	CTPark Bucharest West - part I	RO	165,337	27.0
L 78	CTPark Bucharest West - part I	RO	399,947	27.0
L 79	CTPark Bucharest West - part I	RO	34,265	28.4
L 80	CTPark Bucharest West - part I	RO	280,001	27.0
L 81	CTPark Bucharest North	RO	98,406	32.4
L 82	CTPark Bucharest West - part II	RO	35,600	22.5
L 83	CTPark Bucharest North	RO	179,767	28.4
L 84	CTPark Bucharest - part I	RO	63,876	42.5
L 85	CTPark Arad	RO	195,102	24.8
L 86	CTPark Beograd West	RS	12,000	28.0
L 87	CTPark Beograd North	RS	99,416	30.0
L 88	CTPark Sofia East	BG	174,954	40.9
L 89	CTPark Ljubljana Airport	SI	79,639	75.0
Total			**8,677,433**	

7 Valuation Results

7.1 Market Value

Subject to the contents of this report and the assumptions and provisos contained herein, we are of the opinion that the aggregate of the individual Market Values, based on the information provided by the client and subject to the assumptions and comments detailed in section 5 and 6, of the respective interests in the properties in the **CTP Real Estate Portfolio** as at the effective date of valuation 31 December 2020 was as follows:

€ 5,693,671,000

(Five Billion, Six Hundred Ninety-Three Million, One Hundred Seventy-one Thousand Euros)

Market Value of standing Properties:	€ 5,036,361,000
Market Value of Development Properties:	€ 335,110,000
Market Value of Land Bank:	€ 322,200,000

The above figure represents the aggregate of the individual property market values and is understood as the value without regard to auxiliary purchase costs (legal costs, agent's fees and where applicable land transfer tax) normally incurred by the purchaser. No allowance has been made for any expenses of realization or for taxation and it does not reflect any addition or reduction on the sale of the portfolio as a whole, which may arise in the event of a disposal.

8 Conclusion

Finally, and in accordance with our standard practice, we must state that this valuation report was prepared by JLL, Czech Republic, dated 26 February 2021 and has been authorised only for use by the addressee listed under Section 1.2 of this valuation report for the purpose stated.

The client guarantees that all valuations, reports, plans, drafts, renderings, tables and calculations arising within the scope of each valuation instruction will only be used for those purposes specified in the contract and will not be published without the express prior consent of the advisor in each individual case. Neither the whole of the report nor any part , nor references thereto may be published in any document, circular letter or paper, without our previous written consent regarding the form as well as the connection in which it will be published.

Prague, 26 February 2021

Jan Zibura MRICS	Malgorzata Zoltowska MRICS
Senior Director	Executive Director
Head of Valuations Czech Republic	Head of Valuations CEE

Appendices

Appendix 1	Valuation Summary
Appendix 2	General Principles Adopted in the Preparation of Valuations and Reports
Appendix 3	General Terms and Conditions of Business
Appendix 4	Market Value Definition

Appendix 1

Valuation Summary

Standing Properties Valuation Summary

Property Number	CTP Property number	Location	CTPark	Property Name	Country	Company	Use	Gross Leattable Area (sqm)	Available Area (sqm)	Vacancy	Current Income (€ p.a.)	WAULT	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)	Exit Yield	Discount Rate	Market Value as of 31st December 2020
1	1	Brno-Modřice	CTPark Modřice	MO 11 - incl. extension	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	19,982	0	0.0%	1,301,474	4.5 years	0	1,230,512	5.50%	5.65%	**€ 22,500,000**
2	2	Brno-Modřice	CTPark Modřice	MO 6	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	12,914	0	0.0%	925,387	3.2 years	0	841,304	5.50%	5.75%	**€ 15,300,000**
3	3	Brno-Modřice	CTPark Modřice	MO 16	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	5,281	876	16.6%	272,164	4.7 years	69,300	332,887	5.50%	6.00%	**€ 5,800,000**
4	4	Brno-Modřice	CTPark Modřice	MO 10	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	6,838	0	0.0%	509,411	2.4 years	0	435,882	5.50%	6.00%	**€ 7,900,000**
5	5	Brno-Modřice	CTPark Modřice	MO 8	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	15,767	0	0.0%	1,211,839	0.9 years	0	1,026,413	5.50%	6.00%	**€ 18,400,000**
6	6	Brno-Modřice	CTPark Modřice	MO 4	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	6,000	717	12.0%	380,283	8.5 years	40,176	379,646	5.50%	5.75%	**€ 7,200,000**
7	7	Brno-Modřice	CTPark Modřice	MO 12	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	13,353	0	0.0%	930,159	2.6 years	0	807,935	5.50%	6.00%	**€ 14,600,000**
8	8	Brno-Modřice	CTPark Modřice	MO 13	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	11,473	0	0.0%	824,147	10.2 years	0	754,982	5.50%	5.75%	**€ 14,500,000**
9	9	Brno-Modřice	CTPark Modřice	MO 9	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	9,739	24	0.2%	638,744	3.7 years	2,520	592,438	5.50%	5.75%	**€ 10,800,000**
10	10	Brno-Modřice	CTPark Modřice	MO 1	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	6,902	0	0.0%	439,485	8.9 years	0	411,061	5.50%	5.50%	**€ 7,800,000**
11	11	Brno-Modřice	CTPark Modřice	MO 2	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	31,186	2,370	7.6%	2,179,205	2.8 years	183,332	1,839,112	5.50%	6.00%	**€ 33,200,000**
12	12	Brno-Modřice	CTPark Modřice	AXIS "A" OFFICE BUILDING	Czech Republic	CTPark Modřice, spol. s r.o.	Office	5,487	4,284	78.1%	197,697	3.3 years	417,772	584,330	8.50%	10.00%	**€ 5,700,000**
13	13	Brno-Modřice	CTPark Modřice	MO 15	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	9,640	315	3.3%	597,440	4.5 years	27,099	598,669	5.50%	5.65%	**€ 10,800,000**
14	14	Brno-Modřice	CTPark Modřice	MO 14	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	6,040	32	0.5%	422,052	3.7 years	1,709	404,017	5.50%	5.75%	**€ 7,300,000**
15	15	Divišov	CTPark Divišov	D1 / D2 / D3	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	37,700	8,292	22.0%	1,723,760	4.9 years	463,767	2,109,162	5.90%	6.40%	**€ 34,300,000**
16	16	Humpolec	CTPark Humpolec	H 9	Czech Republic	CTP Vysočina, spol. s r.o.	Office	1,323	0	0.0%	157,567	5.0 years	0	147,132	5.90%	5.90%	**€ 2,700,000**
17	17	Humpolec	CTPark Humpolec	H 8	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	2,384	42	1.8%	219,607	2.2 years	2,394	194,865	5.90%	5.40%	**€ 3,500,000**
18	18	Humpolec	CTPark Humpolec	H 4	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	16,940	0	0.0%	1,271,195	6.2 years	0	1,118,178	5.90%	5.90%	**€ 19,900,000**
19	19	Humpolec	CTPark Humpolec	H 7	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	6,421	0	0.0%	342,958	5.3 years	0	356,454	5.90%	5.90%	**€ 6,000,000**
22	22	Liberec	CTPark Liberec	LI 1 incl. Extension	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	8,447	0	0.0%	580,795	3.6 years	0	458,778	5.90%	6.25%	**€ 7,900,000**
35	35	Humpolec	CTPark Humpolec	H 1	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	1,370	0	0.0%	154,381	5.0 years	0	136,908	5.90%	6.15%	**€ 2,300,000**
36	36	Brno - Štýřice	Spielberk Office Centre	Villa "L"	Czech Republic	Spielberk Business Park, spol. s r.o.	Office	4,744	245	5.2%	635,097	1.6 years	46,816	695,836	6.25%	6.75%	**€ 10,700,000**
37	37	Bor u Tachova	CTPark Bor	B 3	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	16,596	6,469	39.0%	538,359	4.2 years	344,268	884,559	5.50%	7.25%	**€ 13,900,000**
38	38	Brno - Černovická terasa	CTPark Brno I	A 1.1 FLEXISPACE BUILDING I	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	11,928	511	4.3%	760,060	2.8 years	50,996	776,423	5.50%	6.00%	**€ 13,600,000**
39	39	Brno-Modřice	CTPark Modřice	MO 5 - Flexispace II	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	3,233	0	0.0%	288,724	1.4 years	0	225,805	5.50%	6.10%	**€ 4,100,000**
40	40	Ostrava - Hrabová	CTPark Ostrava	AXIS OFFICE PARK OSTRAVA - BUILDING "A"	Czech Republic	CTPark Ostrava, spol. s r.o.	Office	6,305	0	0.0%	687,063	4.1 years	0	724,683	7.50%	7.65%	**€ 9,500,000**
41	41	Ostrava - Hrabová	CTPark Ostrava	AXIS OFFICE PARK OSTRAVA - BUILDING "B"	Czech Republic	CTPark Ostrava, spol. s r.o.	Office	5,971	3,506	58.7%	305,451	4.0 years	410,202	740,593	7.50%	8.50%	**€ 8,200,000**
42	42	Brno - Černovická terasa	CTPark Brno I	A 2.1	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	7,056	69	1.0%	468,885	2.4 years	0	433,533	5.50%	6.00%	**€ 7,600,000**
43	43	Brno-Modřice	CTPark Modřice	MO 3 - WAREHOUSE "W"	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	10,480	192	1.8%	625,357	4.1 years	18,396	615,862	5.50%	5.65%	**€ 11,100,000**
44	44	Brno - Černovická terasa	CTPark Brno I	A 1.2	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	10,142	4,718	46.5%	394,141	3.2 years	284,197	638,420	5.50%	6.50%	**€ 10,700,000**
45	45	Bor u Tachova	CTPark Bor	B 1 incl. extension	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	53,734	0	0.0%	2,884,332	3.1 years	0	2,808,597	5.50%	5.75%	**€ 50,700,000**
46	46	Ostrava - Hrabová	CTPark Ostrava	O 2 - CTS Warehouse	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	6,284	0	0.0%	443,388	5.1 years	0	344,744	5.75%	5.90%	**€ 6,400,000**
47b	47	Praha - Barrandov	Barrandov	MULTIPURPOSE BUILDING BARRANDOV - Buil	Czech Republic	CTP Barrandov, spol. s r.o.	Other	4,716	4,257	90.3%	70,189	3.4 years	334,509	381,630	0.00%	0.00%	**€ 4,100,000**
48	48	Brno - Štýřice	Spielberk Office Centre	Villa "K"	Czech Republic	Spielberk Business Park, spol. s r.o.	Office	4,719	1,354	28.7%	540,454	3.3 years	151,401	724,388	6.25%	7.00%	**€ 10,700,000**
49	49	Brno - Štýřice	Spielberk Office Centre	Villa "J"	Czech Republic	Spielberk Business Park, spol. s r.o.	Office	4,972	515	10.4%	708,498	3.4 years	36,217	748,784	6.25%	6.75%	**€ 11,500,000**
50	50	Humpolec	CTPark Humpolec	H 2	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	8,090	0	0.0%	461,184	5.2 years	0	460,466	5.90%	5.90%	**€ 7,700,000**
51	51	Bor u Tachova	CTPark Bor	B 2	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	72,334	363	0.5%	3,596,203	3.7 years	20,088	3,619,980	5.50%	5.75%	**€ 64,400,000**
52	52	Brno - Černovická terasa	CTPark Brno I	A 2.2.	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	25,138	362	1.4%	1,790,481	5.5 years	3,381	1,596,431	5.50%	5.50%	**€ 30,300,000**
53	53	Brno - Černovická terasa	CTPark Brno I	B 2.1	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	17,942	6,484	36.1%	671,940	2.0 years	394,328	1,102,465	5.50%	6.25%	**€ 18,500,000**
55	55	Brno-Modřice	CTPark Modřice	AXIS OFFICE "B"	Czech Republic	CTPark Modřice, spol. s r.o.	Office	5,550	3,237	58.3%	287,599	2.9 years	345,918	611,683	8.50%	9.50%	**€ 6,300,000**
56	56	Ostrava - Hrabová	CTPark Ostrava	O 1 - FLEXISPACE OSTRAVA I	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	11,676	1,374	11.8%	686,025	1.9 years	91,579	715,519	5.75%	6.25%	**€ 12,100,000**
57	57	Brno - Černovická terasa	CTPark Brno I	C 2.1	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	4,475	0	0.0%	423,693	9.1 years	0	307,442	5.50%	5.65%	**€ 6,400,000**
58	58	Brno - Černovická terasa	CTPark Brno I	A 1.3	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	10,586	0	0.0%	814,344	7.2 years	0	672,764	5.50%	5.50%	**€ 13,200,000**
59	59	České Velenice	CTPark České Velenice	CV 1	Czech Republic	CTPark České Velenice, spol. s r.o.	Industrial	3,266	0	0.0%	173,253	5.2 years	0	173,688	6.25%	6.25%	**€ 2,800,000**
60	60	Brno-Modřice	CTPark Modřice	MO 7 - Flexispace III	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	3,002	0	0.0%	216,216	1.6 years	0	184,831	5.50%	6.00%	**€ 3,300,000**
62	62	Deuchendorf	Deuchendorf, Austria	ION BOND AUSTRIA BUILDING	Austria	CTP Beta GmbH	Industrial	1,380	0	0.0%	171,700	5.0 years	0	171,684	5.50%	5.50%	**€ 2,700,000**
63	63	Bor u Tachova	CTPark Bor	B 4	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	31,009	136	0.4%	1,685,049	5.5 years	12,684	1,721,720	5.50%	5.50%	**€ 31,100,000**
64	64	Bor u Tachova	CTPark Bor	B 7	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	26,757	2,043	7.6%	1,440,610	2.8 years	131,829	1,512,561	5.50%	6.00%	**€ 26,100,000**
70	70	Brno - Černovická terasa	CTPark Brno I	A 3.1 - FLEXISPACE	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	9,955	0	0.0%	814,161	3.8 years	0	644,186	5.50%	5.85%	**€ 12,200,000**
71	71	Brno - Černovická terasa	CTPark Brno I	C 1. - Flexispace	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	27,417	5,510	20.1%	1,446,962	3.2 years	337,870	1,651,693	5.50%	6.00%	**€ 32,300,000**
72	72	Brno - Černovická terasa	CTPark Brno I	B 1.1	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	26,710	585	2.2%	1,829,642	1.3 years	35,521	1,690,585	5.50%	6.00%	**€ 32,400,000**
73	73	Ostrava - Hrabová	CTPark Ostrava	O3	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	39,357	0	0.0%	2,561,324	6.9 years	0	2,121,069	5.75%	5.90%	**€ 39,400,000**
74	74	Ostrava - Hrabová	CTPark Ostrava	O 6	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	11,770	214	1.8%	940,669	1.4 years	18,876	693,172	5.75%	6.25%	**€ 12,000,000**
75A	75	Ostrava - Hrabová	CTPark Ostrava	O 4 - FLEXISPACE	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	8,383	182	2.2%	601,203	3.8 years	18,024	501,880	5.75%	6.00%	**€ 9,100,000**
75B	95	Ostrava - Hrabová	CTPark Ostrava	O5 - FLEXISPACE	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	8,198	2,855	34.8%	312,462	2.1 years	174,114	478,618	5.75%	6.50%	**€ 7,800,000**
76	76	Pohořelice	CTPark Pohořelice	PO 1	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	25,274	407	1.6%	1,325,136	1.7 years	37,734	1,373,813	5.90%	6.50%	**€ 22,500,000**
77A	77	Jihlava	CTPark Jihlava	J 1	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	8,017	0	0.0%	556,236	7.2 years	0	469,045	5.90%	5.90%	**€ 9,300,000**
77B	96	Jihlava	CTPark Jihlava	J 2	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	17,106	0	0.0%	1,039,396	7.4 years	0	942,271	5.90%	5.90%	**€ 16,700,000**
78	78	Brno - Štýřice	Spielberk Office Centre	Villa "G"	Czech Republic	Spielberk Business Park, spol. s r.o.	Office	5,042	5,042	100.0%	0	0.0 years	708,913	708,913	6.25%	8.25%	**€ 8,100,000**
79	79	Brno - Štýřice	Spielberk Office Centre	Villa "H"	Czech Republic	Spielberk Business Park, spol. s r.o.	Office	5,086	256	5.0%	809,752	3.1 years	29,643	779,307	6.25%	6.50%	**€ 12,400,000**
80	80	Brno - Štýřice	Spielberk Office Centre	IQ Building - C,D,E,F	Czech Republic	Spielberk Business Park, spol. s r.o.	Office	44,575	3,470	7.8%	6,551,872	3.2 years	622,821	7,073,042	6.25%	6.50%	**€ 105,500,000**
87	87	Pardubice	CTPark Pardubice	PA 2	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	16,373	0	0.0%	901,332	3.0 years	0	893,184	5.90%	6.40%	**€ 14,600,000**
88	88	Pardubice	CTPark Pardubice	PA 1	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	21,016	0	0.0%	1,227,596	3.0 years	0	1,172,541	5.90%	6.40%	**€ 19,100,000**
91	91	Okříšky	CTPark Okříšky	OK 1	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	21,043	0	0.0%	1,354,654	4.0 years	0	1,152,642	6.25%	6.50%	**€ 18,600,000**
92	92	Brno - Černovická terasa	CTPark Brno I	B 1.2 incl. B 1.3	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	5,780	0	0.0%	1,323,389	6.9 years	0	723,312	5.50%	6.00%	**€ 16,400,000**
93	93	Brno - Černovická terasa	CTPark Brno I	B 2.2	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	11,309	11,309	100.0%	0	0.0 years	645,013	645,013	5.50%	8.50%	**€ 10,900,000**
94	94	Bor u Tachova	CTPark Bor	B 5	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	64,528	0	0.0%	3,238,454	4.0 years	0	3,454,719	5.50%	5.75%	**€ 60,800,000**
95	163	Humpolec	CTPark Humpolec	H 3	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	4,159	41	1.0%	220,060	5.3 years	2,214	231,942	5.90%	5.90%	**€ 3,900,000**
98	98	Ostrava - Hrabová	CTPark Ostrava	O 10	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	28,520	743	2.6%	1,581,092	2.3 years	36,640	1,520,081	5.75%	6.25%	**€ 25,900,000**
99	99	Ostrava - Hrabová	CTPark Ostrava	O 17	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	7,662	868	11.3%	354,613	0.4 years	64,812	432,358	5.75%	7.50%	**€ 6,700,000**
100	100	Ostrava - Hrabová	CTPark Ostrava	O18	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	8,242	0	0.0%	492,411	8.5 years	0	484,992	5.75%	5.75%	**€ 8,600,000**
101	101	Ostrava - Hrabová	CTPark Ostrava	AXIS OFFICE - BUILDING "C"	Czech Republic	CTPark Ostrava, spol. s r.o.	Office	5,152	976	19.0%	512,205	3.2 years	115,089	597,954	7.50%	8.00%	**€ 7,300,000**
102	102	Ostrava - Hrabová	CTPark Ostrava	AXIS OFFICE - BUILDING "D"	Czech Republic	CTPark Ostrava, spol. s r.o.	Office	5,072	833	16.4%	441,147	2.7 years	93,561	588,136	7.50%	8.10%	**€ 6,900,000**
103	103	Louny	CTPark Louny	LN 1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	12,016	0	0.0%	816,334	2.8 years	0	687,468	6.25%	6.75%	**€ 11,800,000**
112a	112	Ostrava - Hrabová	CTPark Ostrava	O 13.1	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	24,735	0	0.0%	1,463,322	6.3 years	0	1,336,506	5.75%	5.75%	**€ 24,100,000**
112b	159	Ostrava - Hrabová	CTPark Ostrava	O 13.2	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	31,031	0	0.0%	2,289,432	3.7 years	0	1,662,640	5.75%	6.10%	**€ 30,800,000**
115	108	Ostrava - Hrabová	CTPark Ostrava	O 21	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	6,884	726	10.5%	479,563	2.8 years	62,631	432,571	5.75%	6.15%	**€ 7,600,000**
116	109	Ostrava - Hrabová	CTPark Ostrava	O 22	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	6,881	396	5.8%	419,080	14.8 years	26,136	399,060	5.75%	5.75%	**€ 7,500,000**
117	117	Pohořelice	CTPark Pohořelice	PO 2	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	23,026	0	0.0%	1,301,601	4.8 years	0	1,235,224	5.90%	6.05%	**€ 21,000,000**
118	118	Pohořelice	CTPark Pohořelice	PO 3	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	23,262	0	0.0%	1,392,008	3.9 years	0	1,267,537	5.90%	6.15%	**€ 21,300,000**
119	119	Brno - Šlapanice	CTPark Brno South	SA 1	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	16,623	0	0.0%	1,129,530	9.1 years	0	1,035,601	5.50%	5.50%	**€ 19,600,000**
120	120	Brno - Šlapanice	CTPark Brno South	SA 4	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	28,634	1,023	3.6%	1,510,559	4.9 years	83,400	1,629,925	5.50%	5.85%	**€ 33,800,000**
121	160	Brno - Šlapanice	CTPark Brno South	SA 5	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	8,072	0	0.0%	650,763	1.4 years	0	527,087	5.50%	7.25%	**€ 9,800,000**
122	168	Pohořelice	CTPark Pohořelice	PO 6	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	19,179	62	0.3%	1,052,470	3.0 years	3,125	1,010,988	5.90%	6.40%	**€ 17,100,000**
124	113	Novy Jicin	CTPark Nový Jičín	NJ 1	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	24,547	0	0.0%	1,289,404	3.1 years	0	1,221,936	5.90%	6.15%	**€ 20,600,000**
125	115	Ostrava - Hrabová	CTPark Ostrava	O 14	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	4,240	0	0.0%	347,976	3.0 years	0	243,636	5.75%	6.35%	**€ 4,400,000**
127	116	Brno - Černovická terasa	CTPark Brno I	A 3.2 incl extension	Czech Republic	CTPark Brno I, spol. s r.o.	Office	22,694	0	0.0%	3,206,900	4.0 years	0	2,940,833	5.75%	6.00%	**€ 50,300,000**
128	114	Pohořelice	CTPark Pohořelice	PO 4	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	24,032	0	0.0%	1,321,807	2.8 years	0	1,252,270	5.90%	6.40%	**€ 20,900,000**
130	122;123;124	Lysá nad Labem	Lysá nad Labem	Building A, B, C	Czech Republic	CTPark Lysá nad Labem, spol. s r.o.	Industrial	4,971	447	9.0%	238,597	6.3 years	23,525	255,283	6.75%	6.75%	**€ 3,800,000**
131	26;127;128;12	Kutná Hora	Kutná Hora	KH1, KH2, KH3, KH4	Czech Republic	CTP Invest, spol. s r.o.	Industrial	11,882	11,882	100.0%	0	0.0 years	419,412	419,412	7.00%	10.00%	**€ 4,200,000**
133	134	Hranice	CTPark Hranice	Energoblock	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	1,231	0	0.0%	99,323	2.4 years	0	92,292	8.25%	9.00%	**€ 1,100,000**
134	130	Hranice	CTPark Hranice	JUMBO + HR3/4 + HR3/5	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	45,009	16,048	35.7%	1,425,715	2.6 years	465,306	1,454,286	7.75%	9.00%	**€ 17,200,000**
135	132	Hranice	CTPark Hranice	LARGE	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	13,310	5,825	43.8%	253,554	2.0 years	258,183	582,282	7.75%	9.25%	**€ 4,100,000**
136	131	Hranice	CTPark Hranice	W1/W2 Warehouse	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	12,299	91	0.7%	778,258	4.9 years	4,932	627,928	6.25%	6.40%	**€ 10,600,000**
137a	97	Hranice	CTPark Hranice	HR 1/1	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	6,517	0	0.0%	442,218	2.0 years	0	334,704	6.25%	6.85%	**€ 5,400,000**
137b	170	Hranice	CTPark Hranice	HR1/2	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	7,164	0	0.0%	529,542	2.0 years	0	389,724	6.25%	6.85%	**€ 6,300,000**
138	133	Hranice	CTPark Hranice	CHEMICAL STORAGE	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	2,736	2,431	88.9%	20,864	1.1 years	111,054	128,106	9.25%	10.00%	**€ 1,200,000**
139a	186	Hranice	CTPark Hranice	HR 2/1 (Large + HR2.1)	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	8,712	0	0.0%	640,743	2.0 years	0	439,032	6.25%	6.85%	**€ 7,200,000**
139b	194	Hranice	CTPark Hranice	HR2/4	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	10,923	0	0.0%	616,641	8.2 years	0	438,646	6.25%	6.40%	**€ 8,200,000**
140	143	Ponávka	Ponávka	CTBox B4 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	3,843	0	0.0%	372,248	3.3 years	0	343,254	5.75%	6.00%	**€ 6,400,000**
141	161	Ponávka	Ponávka	CTBox B5 Ponavka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	3,775	10	0.3%	296,008	3.0 years	3,060	321,390	5.75%	6.25%	**€ 5,800,000**
142	169	Ponávka	Ponávka	CTBox B6 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	4,049	271	6.7%	379,137	5.2 years	19,854	376,143	5.75%	5.75%	**€ 7,200,000**
143	144	Ponávka	Ponávka	CTBox B7 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	3,605	180	5.0%	297,293	5.4 years	20,568	318,138	5.75%	5.75%	**€ 6,000,000**
144	145	Ponávka	Ponávka	CTBox B3 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	3,780	0	0.0%	314,388	3.0 years	1,440	337,194	5.75%	6.25%	**€ 6,000,000**
145	146	Ponávka	Ponávka	CTBox B2 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	3,735	171	4.6%	329,283	4.4 years	21,414	323,934	5.75%	5.90%	**€ 6,100,000**
146	162	Ponávka	Ponávka	CTBox B1 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	3,842	0	0.0%	340,881	3.7 years	0	375,012	5.75%	6.00%	**€ 6,300,000**
147	135	Ponávka	Ponávka	C1 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Office	660	158	24.0%	58,576	2.8 years	16,147	71,365	7.25%	8.25%	**€ 900,000**
148	136	Ponávka	Ponávka	C2 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Office	2,422	838	34.6%	200,101	3.9 years	103,741	291,239	7.00%	8.00%	**€ 3,800,000**
149	137	Ponávka	Ponávka	C5 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	1,145	8	0.7%	82,571	3.2 years	689	0	0.00%	0.00%	**€ 540,000**
150	138	Ponávka	Ponávka	C4 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Office	1,076	0	0.0%	155,828	3.0 years	0	147,386	6.75%	7.15%	**€ 2,200,000**
153	141	Ponávka	Ponávka	C3 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	718	345	48.1%	24,976	3.1 years	26,067	0	0.00%	0.00%	**€ 340,000**
155	147	AV Encore	CTZone Ostrava	AV 1 - Office Building	Czech Republic	CTZone Ostrava, a.s.	Office	1,443	742	51.4%	61,454	2.1 years	56,416	117,468	9.25%	n.a	**€ 1,150,000**
156	148	AV Encore	CTZone Ostrava	AV 2 - Guard Building	Czech Republic	CTZone Ostrava, a.s.	Other	92	11	12.0%	3,610	2.0 years	508	4,250	n.a	n.a	**€ 17,000**
157	149	AV Encore	CTZone Ostrava	AV 3 - Change & wash rooms	Czech Republic	CTZone Ostrava, a.s.	Industrial	248	78	31.5%	8,047	2.5 years	2,340	7,455	n.a	n.a	**€ 46,000**
158	150	AV Encore	CTZone Ostrava	AV 4 - Warehouse	Czech Republic	CTZone Ostrava, a.s.	Industrial	184	0	0.0%	8,781	2.0 years	0	8,505	n.a	n.a	**€ 34,000**
159	151	AV Encore	CTZone Ostrava	AV 5 - Car sheds	Czech Republic	CTZone Ostrava, a.s.	Industrial	366	35	9.5%	14,504	2.0 years	1,599	16,909	n.a	n.a	**€ 68,000**
160	152	AV Encore	CTZone Ostrava	AV 6 - Trucks garages	Czech Republic	CTZone Ostrava, a.s.	Industrial	397	253	63.7%	6,728	2.0 years	11,684	18,341	n.a	n.a	**€ 74,000**
161	153	AV Encore	CTZone Ostrava	AV 7 - Warehouse	Czech Republic	CTZone Ostrava, a.s.	Industrial	177	0	0.0%	6,754	2.7 years	0	8,177	n.a	n.a	**€ 33,000**
162	154	AV Encore	CTZone Ostrava	AV 8 - Maintenance Building & Joinery Worksh	Czech Republic	CTZone Ostrava, a.s.	Industrial	846	467	55.2%	19,765	0.8 years	15,708	34,358	n.a	n.a	**€ 160,000**
163	155	AV Encore	CTZone Ostrava	AV 9 - Workshops	Czech Republic	CTZone Ostrava, a.s.	Industrial	893	436	48.9%	20,292	1.5 years	20,162	42,452	n.a	n.a	**€ 165,000**
164	156	AV Encore	CTZone Ostrava	AV 10 - Garages & Workshops	Czech Republic	CTZone Ostrava, a.s.	Industrial	340	0	0.0%	16,903	2.0 years	0	16,197	n.a	n.a	**€ 63,000**
165	157	AV Encore	CTZone Ostrava	AV 11 - Production Hall	Czech Republic	CTZone Ostrava, a.s.	Industrial	1,135	65	5.7%	34,973	2.0 years	2,340	41,340	n.a	n.a	**€ 210,000**
166	158	AV Encore	CTZone Ostrava	AV 12 - Multipurpose Building	Czech Republic	CTZone Ostrava, a.s.	Other	768	354	46.1%	22,257	1.8 years	16,360	38,977	n.a	n.a	**€ 177,000**
167	166	Brno - Černovická terasa	CTPark Brno II	E 1	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	35,451	62	0.2%	2,363,311	6.7 years	6,510	2,129,369	5.50%	5.50%	**€ 40,800,000**
168	164	Brno - Černovická terasa	CTPark Brno II	D 4	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	21,756	0	0.0%	1,450,073	1.0 years	0	1,419,528	5.50%	6.00%	**€ 25,200,000**
169	165	Brno - Černovická terasa	CTPark Brno II	D 3	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	43,561	0	0.0%	2,656,709	1.0 years	0	2,652,177	5.50%	6.00%	**€ 47,000,000**
170	167	Brno - Černovická terasa	CTPark Brno II	D 1	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	26,545	0	0.0%	2,057,244	3.5 years	0	1,706,546	5.50%	5.75%	**€ 31,700,000**
171	187	Brno - Černovická terasa	CTPark Brno II	F 2	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	7,626	190	2.5%	451,039	1.0 years	18,402	470,330	5.50%	6.00%	**€ 8,300,000**
172	184	Brno - Černovická terasa	CTPark Brno II	F 4	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	6,120	0	0.0%	449,895	1.9 years	0	423,983	5.50%	6.00%	**€ 7,500,000**
173	173	Brno - Černovická terasa	CTPark Brno I	A 4.2	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	24,229	0	0.0%	1,540,800	3.0 years	0	1,375,394	5.50%	5.90%	**€ 24,900,000**
174	175	Ostrava - Hrabová	CTPark Ostrava	O24	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	2,533	0	0.0%	215,478	1.5 years	0	188,304	5.75%	6.25%	**€ 3,000,000**
175	171	Ostrava - Hrabová	CTPark Ostrava	O9	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	13,736	513	3.7%	1,093,764	1.4 years	25,969	773,918	5.75%	6.25%	**€ 13,400,000**
176	185	Humpolec	CTPark Humpolec	H 5	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	2,435	0	0.0%	136,290	6.2 years	0	136,290	5.90%	5.90%	**€ 2,300,000**
177	174	Ostrava - 28. října	IQ Ostrava	IQ Ostrava	Czech Republic	CTP IQ Ostrava, spol. s r.o.	Office	26,120	786	3.0%	4,181,412	2.6 years	113,392	3,943,539	6.75%	7.15%	**€ 54,300,000**
178	172	Brno - Štýřice	Spielberk Office Centre	Tower I	Czech Republic	Spielberk Business Park II, spol. s r.o.	Office	18,200	2,384	13.1%	2,879,223	2.9 years	385,697	3,177,529	6.15%	6.55%	**€ 49,600,000**
179	188	Humpolec	CTPark Humpolec	H 10 Parking House	Czech Republic	CTP Vysočina, spol. s r.o.	Other	2,982	0	0.0%	19,682	2.4 years	12,240	30,240	6.90%	7.65%	**€ 420,000**
180	189	Ostrava - Hrabová	CTPark Ostrava	O 27 - UFI	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	10,102	0	0.0%	576,385	3.1 years	0	583,134	5.75%	6.00%	**€ 10,000,000**
181	191	Ponávka	Ponávka	CTOffice A 1	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Office	9,132	1,747	19.1%	891,570	2.4 years	182,081	1,114,188	6.50%	7.25%	**€ 15,800,000**
182	190	Žatec	CTPark Žatec	ZA 1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	38,891	0	0.0%	1,398,700	8.2 years	0	1,637,544	6.25%	6.25%	**€ 24,900,000**
184	192	Mlada Boleslav - Bezděčír	CTPark Mladá Boleslav	MB 3	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	26,111	0	0.0%	1,964,789	4.2 years	0	1,722,438	5.90%	6.05%	**€ 29,800,000**
185a	203	Brno - Černovická terasa	CTPark Brno I	A 4.1 incl. Extension	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	25,565	48	0.2%	1,561,448	1.7 years	3,306	1,536,571	5.50%	6.00%	**€ 27,100,000**
190	180	Mlada Boleslav - Nepreva	CTPark Mladá Boleslav II	N 2	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	14,485	0	0.0%	905,619	1.5 years	0	846,186	5.90%	6.25%	**€ 14,000,000**

Property Number	CTP Property number	Location	CTPark	Property Name	Country	Company	Use	Gross Leattable Area (sqm)	Available Area (sqm)	Vacancy	Current Income (€ p.a.)	WAULT	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)	Exit Yield	Discount Rate	Market Value as of 31st December 2020
191	182	Mlada Boleslav - Nepreva	CTPark Mladá Boleslav II	N 3	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	9,307	0	0.0%	602,952	3.4 years	0	571,295	5.90%	6.15%	€ 9,600,000
192	181	Mlada Boleslav - Nepreva	CTPark Mladá Boleslav II	N 1	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	6,426	0	0.0%	493,647	8.2 years	0	398,062	5.90%	5.90%	€ 7,400,000
193	193	Humpolec	CTPark Humpolec	H 6	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	6,848	0	0.0%	394,805	5.3 years	0	403,440	5.90%	5.90%	€ 6,800,000
195	195	Brno - Černovická terasa	CTPark Brno I	C 2.2	Czech Republic	CTPark Brno I, spol. s r.o.	Industrial	5,641	0	0.0%	443,017	8.0 years	0	376,500	5.50%	5.50%	€ 7,300,000
196	196	Ostrava - Hrabová	CTPark Ostrava	O 19	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	6,309	0	0.0%	366,022	14.8 years	0	337,707	5.75%	5.75%	€ 6,300,000
197	197	Prague - Airport	CTPark Prague Airport	KNE 1	Czech Republic	CTPark Prague Airport, spol. s r. o.	Industrial	18,611	5,507	29.6%	644,103	3.3 years	317,838	981,327	6.50%	7.25%	€ 13,600,000
198	198	Prague - Airport	CTPark Prague Airport	KNE 2	Czech Republic	CTPark Prague Airport, spol. s r. o.	Industrial	18,689	0	0.0%	1,016,176	4.2 years	0	1,011,385	6.50%	6.65%	€ 15,500,000
199	199	Prague - Airport	CTPark Prague Airport	KNE 3	Czech Republic	CTPark Prague Airport, spol. s r. o.	Industrial	19,248	2,517	13.1%	854,484	3.8 years	139,168	1,021,006	6.50%	7.00%	€ 15,100,000
200	200	Prague - Airport	CTPark Prague Airport	KNE 4	Czech Republic	CTPark Prague Airport, spol. s r. o.	Office	2,019	670	33.2%	130,509	3.6 years	43,374	171,534	7.50%	8.50%	€ 2,100,000
201	201	Prague - Airport	CTPark Prague Airport	KNE 5	Czech Republic	CTPark Prague Airport, spol. s r. o.	Industrial	266	101	38.0%	8,039	3.6 years	3,636	9,576	9.50%	11.00%	€ 100,000
202a	210	Brno - Černovická terasa	CTPark Brno II	D 2.2 (D2.3)	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	46,773	0	0.0%	1,527,236	8.2 years	0	2,207,142	5.50%	5.50%	€ 35,500,000
202b	211	Brno - Černovická terasa	CTPark Brno II	D 2.1	Czech Republic	CTPark Brno II, spol. s r.o.	Office	9,806	0	0.0%	917,396	8.3 years	0	599,532	5.50%	5.75%	€ 13,000,000
204	204	Prague - Nupaky	CTPark Prague East	NUP 1	Czech Republic	CTPark Prague East, spol. s r.o.	Office	6,061	5,149	85.0%	130,762	3.9 years	439,114	533,988	7.50%	9.25%	€ 5,800,000
205	205	Prague - Nupaky	CTPark Prague East	NUP 2	Czech Republic	CTPark Prague East, spol. s r.o.	Industrial	5,694	233	4.1%	349,156	8.7 years	14,023	337,531	7.00%	7.00%	€ 4,900,000
206	206	Prague - Nupaky	CTPark Prague East	NUP 3	Czech Republic	CTPark Prague East, spol. s r.o.	Industrial	7,735	2,963	38.3%	321,756	4.5 years	239,876	533,803	7.00%	7.75%	€ 6,900,000
209	214	Bor u Tachova	CTPark Bor	B 6	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	15,739	0	0.0%	980,260	4.3 years	0	956,190	5.50%	5.65%	€ 17,300,000
210	209	Mlada Boleslav - Bezděčír	CTPark Mladá Boleslav	MB 4	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	23,847	0	0.0%	1,302,990	13.4 years	0	1,311,503	5.90%	5.90%	€ 22,600,000
211	212	Ostrava - Hrabová	CTPark Ostrava	O 25 Box	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	4,491	265	5.9%	364,704	2.8 years	18,933	341,181	5.75%	6.25%	€ 5,900,000
214	216	Ostrava - Hrabová	CTPark Ostrava	Hall F	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	2,106	0	0.0%	288,139	3.7 years	0	183,970	5.75%	6.20%	€ 3,500,000
219	219	Kadan	CTPark Kadaň	KA 2	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	8,768	0	0.0%	324,730	4.7 years	0	373,771	6.25%	6.40%	€ 5,600,000
220	224	Brno - Černovická terasa	CTPark Brno I	A 6 Parking House	Czech Republic	CTPark Brno I, spol. s r.o.	Other	12,000	0	0.0%	224,057	3.5 years	32,400	267,300	7.00%	7.25%	€ 3,500,000
222	226	Hranice	CTPark Hranice	HR2/2	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	6,687	0	0.0%	360,296	2.0 years	0	312,952	6.25%	6.75%	€ 4,900,000
223	229	Hlubocky	CTPark Hlubočky	HLU 1	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	40,545	0	0.0%	2,066,344	2.5 years	0	1,937,691	7.75%	8.25%	€ 24,100,000
225	232	Kadan	CTPark Kadaň	KA 1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	19,078	0	0.0%	1,035,222	5.8 years	0	943,944	6.25%	6.25%	€ 15,400,000
230	262	Bor u Tachova	CTPark Bor	B 12	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	64,730	0	0.0%	2,897,884	5.8 years	0	2,935,805	5.50%	5.50%	€ 51,000,000
231	263	Přeštice	CTPark Přeštice	PRE 1 - A	Czech Republic	CTP Pilsen Region, spol. s r.o.	Industrial	18,828	211	1.1%	1,248,389	5.5 years	9,360	1,078,677	6.00%	6.00%	€ 18,900,000
233	265	Novy Jicin	CTPark Nový Jičín	NJ 2/1 (Phase I -Unit A)	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	13,728	0	0.0%	869,959	6.0 years	0	809,106	5.90%	5.90%	€ 14,200,000
245	278	Jihlava	CTPark Jihlava	J 3	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	5,901	0	0.0%	346,046	4.9 years	0	323,711	5.90%	6.05%	€ 5,500,000
246	285	Hranice	CTPark Hranice	HR4	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	7,067	0	0.0%	505,654	3.0 years	0	400,140	6.25%	6.65%	€ 6,500,000
248	322	Bor u Tachova	CTPark Bor	B 6 - extension I	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	5,392	0	0.0%	349,958	4.3 years	0	314,712	5.50%	5.65%	€ 5,800,000
249	1071	Brno - Černovická terasa	CTPark Brno II	E 2	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	20,988	0	0.0%	1,385,316	5.7 years	0	1,226,011	5.50%	5.50%	€ 23,100,000
251	294	Brno-Modřice	CTPark Modřice	MO 17	Czech Republic	CTPark Modřice, spol. s r.o.	Industrial	21,901	0	0.0%	1,537,518	6.6 years	0	1,343,297	5.50%	5.50%	€ 26,000,000
252	291;403	Kvasiny	CTPark Kvasiny	KV 1, KV 1 extension	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	20,901	0	0.0%	1,755,812	5.2 years	0	1,248,858	5.90%	6.05%	€ 23,300,000
253	288	Humpolec	CTPark Humpolec	HU 1 - Phase I	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	10,814	0	0.0%	686,713	4.3 years	0	588,137	5.90%	6.05%	€ 10,200,000
254	286	Novy Jicin	CTPark Nový Jičín	NJ 5 - Phase I	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	2,271	0	0.0%	135,397	5.0 years	0	128,454	5.90%	5.90%	€ 2,200,000
263	365	Bor u Tachova	CTPark Bor	B 10	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	40,651	5,070	12.5%	1,747,602	1.5 years	268,131	2,063,637	5.50%	6.15%	€ 35,600,000
264	297	Humpolec	CTPark Humpolec	H 6 - Extension	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	7,789	0	0.0%	949,952	5.7 years	0	532,326	5.90%	6.40%	€ 10,800,000
266	323	Novy Jicin	CTPark Nový Jičín	NJ 5 Phase II	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	4,702	45	1.0%	279,760	2.1 years	2,295	273,801	5.90%	6.40%	€ 4,600,000
267	293	Ponávka	Ponávka	CTOffice A2 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Office	9,033	1,087	12.0%	1,170,087	2.4 years	130,416	1,186,356	6.50%	7.00%	€ 17,200,000
269	397	Bor u Tachova	CTPark Bor	B 9	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	17,983	0	0.0%	1,042,468	6.0 years	0	959,991	5.50%	5.50%	€ 18,100,000
281	316	Žatec	CTPark Žatec II	ZAT 1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	3,189	343	10.8%	162,027	4.1 years	30,378	182,556	6.00%	6.50%	€ 2,900,000
282	327	Hranice	CTPark Hranice	HR3/3	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	6,684	0	0.0%	425,407	6.5 years	0	351,924	6.25%	6.25%	€ 6,100,000
285	325	Blučina	CTPark Blučina	BLU 1	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	9,310	0	0.0%	589,859	5.7 years	0	548,470	5.90%	5.90%	€ 9,600,000
286	329	Plana	CTPark Planá nad Lužnicí	PL1	Czech Republic	CTP Bohemia South, spol. s r.o.	Industrial	29,776	0	0.0%	2,249,297	10.9 years	0	1,578,483	5.90%	6.05%	€ 31,600,000
287	412	Zakupy	CTPark Zákupy	ZAK 1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	15,881	0	0.0%	1,000,604	9.0 years	0	912,573	5.90%	5.90%	€ 16,400,000
288	343	Zakupy	CTPark Zákupy	ZAK 2	Czech Republic	CTP Bohemia North, spol. s r.o.	Office	3,589	0	0.0%	323,000	9.0 years	0	333,690	6.50%	6.50%	€ 5,200,000
290	398	Brno - Černovická terasa	CTPark Brno II	F 1	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	15,527	3,820	24.6%	663,703		218,392	894,413	5.50%	6.00%	€ 15,400,000
291	360	Ostrava - Hrabová	CTPark Ostrava	0 15	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	7,834	0	0.0%	486,072	6.4 years	0	465,795	5.75%	5.75%	€ 8,300,000
292	344	Novy Jicin	CTPark Nový Jičín	NJ 2/2 Phase II Unit B	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	5,489	111	2.0%	280,563	1.5 years	8,586	285,045	5.90%	6.40%	€ 4,700,000
293	339	Kadan	CTPark Kadaň	KA 5 (Aviva)	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	24,987	16,369	65.5%	36,000	2.0 years	775,579	1,185,293	6.25%	7.50%	€ 15,700,000
295	356	Přeštice	CTPark Přeštice	PRE 1 - B (Phase III - IAC)	Czech Republic	CTP Pilsen Region, spol. s r.o.	Industrial	13,857	0	0.0%	882,322	5.5 years	0	772,098	6.00%	6.00%	€ 13,500,000
298	364	Usti nad Labem	CTPark Ústí nad Labem	UST1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	9,714	0	0.0%	552,942	5.2 years	0	553,156	6.00%	6.00%	€ 9,300,000
299	413	Žatec	CTPark Žatec	ZA 2	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	41,819	5,196	12.4%	2,028,383	8.7 years	272,790	2,150,838	6.00%	6.25%	€ 36,200,000
302	337;361	Karviná	CTPark Karviná	KRN 1	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	26,785	0	0.0%	1,382,775	7.2 years	1,500	1,122,528	6.00%	6.00%	€ 20,600,000
303	340	Karviná	CTPark Karviná	KRN 2 (Aviva)	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	14,846	0	0.0%	750,096	1.9 years	0	777,115	6.00%	6.50%	€ 12,300,000
304	1166	Bor u Tachova	CTPark Bor	B0 CTOffices	Czech Republic	CTPark Bor, spol. s r.o.	Office	776	526	67.8%	27,506	4.9 years	17,424	47,424	6.00%	7.00%	€ 700,000
317	358	Hranice	CTPark Hranice	HR4 Phase II	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	5,450	2,829	51.9%	154,405	3.0 years	144,792	282,600	6.25%	7.50%	€ 4,000,000
323	320	Hranice	CTPark Hranice	Storage II	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	904	904	100.0%	0	0.0 years	51,888	51,888	7.25%	9.25%	€ 600,000
324	321	Hranice	CTPark Hranice	Storage III	Czech Republic	CTPark Hranice, spol. s r.o.	Industrial	1,697	1,697	100.0%	0	0.0 years	24,018	24,018	7.25%	9.25%	€ 300,000
329	349	Ponávka	Ponávka	Domeq 1	Czech Republic	CTP Domeq Brno, spol. s r.o.	Other	6,602	0	0.0%	825,000		0	0	0.00%	0.00%	€ 9,400,000
331	352	Ponávka	Ponávka	CTBox B8 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	1,543	0	0.0%	141,392	1.9 years	0	118,356	5.75%	6.25%	€ 2,000,000
333	357	Přeštice	CTPark Přeštice	PRE 2 (Phase IV - IAC)	Czech Republic	CTP Pilsen Region, spol. s r.o.	Industrial	4,644	0	0.0%	248,338	5.5 years	0	240,048	6.00%	6.00%	€ 4,100,000
338	368	Lipník nad Bečvou	CTPark Lipník nad Bečvou	L 2	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	6,852	917	13.4%	727,941	10.2 years	64,549	421,675	6.25%	6.50%	€ 9,900,000
339	376	Aš	CTPark Aš	AS 1	Czech Republic	CTP Bohemia West, spol. s r.o.	Industrial	22,383	0	0.0%	1,104,848	14.7 years	0	1,096,454	6.00%	6.00%	€ 19,000,000
340	1154	Česká Lípa	CTPark Česká Lípa	CEL 1	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	12,515	14	0.1%	693,517	8.1 years	714	719,712	6.00%	6.00%	€ 11,900,000
341	402	Brno - Černovická terasa	CTPark Brno II	E 3	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	9,051	0	0.0%	668,499	5.7 years	0	630,572	5.50%	5.50%	€ 11,700,000
342	377	Brno - Černovická terasa	CTPark Brno II	F 3	Czech Republic	CTPark Brno II, spol. s r.o.	Industrial	5,709	22	0.4%	388,955	2.7 years	1,214	367,716	5.50%	6.00%	€ 6,500,000
344	359	Prague - Nupaky	CTPark Prague East	NU 1	Czech Republic	CTPark Prague East, spol. s r.o.	Industrial	28,590	188	0.7%	1,546,548	10.2 years	10,019	1,668,844	5.25%	5.25%	€ 31,700,000
345	411	Prague - Nupaky	CTPark Prague East	NU 2	Czech Republic	CTPark Prague East, spol. s r.o.	Industrial	11,398	0	0.0%	842,831	8.9 years	0	688,573	5.25%	5.25%	€ 13,800,000
346	432	Česká Lípa	CTPark Česká Lípa	CEL 2	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	15,379	0	0.0%	1,056,783	12.0 years	0	918,552	6.00%	6.00%	€ 16,900,000
347	405	Novy Jicin	CTPark Nový Jičín	NJ 2/3 Phase III Unit C	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	8,822	39	0.4%	819,320	8.5 years	2,574	512,316	5.90%	6.15%	€ 10,900,000
348	430	Most	CTPark Most	MST 1 - Units A, B	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	13,832	0	0.0%	966,880	9.6 years	0	826,980	6.00%	6.00%	€ 15,100,000
349	408	Ostrava - Hrabová	CTPark Ostrava	O 26 Unit B	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	14,119	0	0.0%	878,583	8.8 years	0	802,197	5.75%	5.75%	€ 14,900,000
350	407	Ostrava - Hrabová	CTPark Ostrava	O 11	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	10,763	52	0.5%	677,312	8.0 years	2,652	613,320	5.75%	5.75%	€ 11,100,000
351	369	Nosovice	CTPark Nošovice	NO 1 (Unit A, B, C)	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	8,908	0	0.0%	436,894	1.8 years	0	448,740	5.90%	6.40%	€ 7,400,000
352	399	Mlada Boleslav - Bezděčír	CTPark Mladá Boleslav	MB 6	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	6,825	0	0.0%	551,778	6.5 years	0	427,321	5.90%	6.05%	€ 8,000,000
355	443	Cerhovice	CTPark Cerhovice	CER1	Czech Republic	CTP Pilsen Region, spol. s r.o.	Industrial	19,063	10,153	53.3%	942,652	9.4 years	523,458	1,084,635	5.90%	7.15%	€ 17,500,000
356	401	Ponávka	Ponávka	CTOffice A3 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Office	8,745	3,117	35.6%	693,577	5.3 years	430,238	1,138,901	6.50%	7.40%	€ 15,400,000
357	456	Bor u Tachova	CTPark Bor	B6 extension II	Czech Republic	CTPark Bor, spol. s r.o.	Industrial	6,806	0	0.0%	925,794	4.3 years	0	614,538	5.50%	5.85%	€ 12,100,000
358	395	Brno - Vlněná	Vlněná	Building FGH	Czech Republic	CTP Vlněna Business Park, spol. s r.o.	Office	19,738	2,517	12.8%	2,857,100	4.9 years	545,520	3,372,859	6.00%	6.50%	€ 54,700,000
360	1176;1178	Brno - Vlněná	Vlněná	Building A,B incl. Parking	Czech Republic	CTP Vlněna Business Park, spol. s r.o.	Office	23,008	1,176	5.1%	3,600,398	9.0 years	195,312	3,711,777	6.00%	6.25%	€ 62,000,000
361	419	Brno - Vlněná	Vlněná	Bochner Palace	Czech Republic	CTP Vlněna Business Park, spol. s r.o.	Office	2,021	2,021	100.0%	0	0.0 years	333,465	333,465	6.00%	8.00%	€ 4,100,000
362	433	Kadan	CTPark Kadaň	KA 4	Czech Republic	CTP Bohemia North, spol. s r.o.	Industrial	10,325	0	0.0%	583,620	6.4 years	0	545,732	6.00%	6.00%	€ 9,200,000
363	450	Mlada Boleslav - Bezděčír	CTPark Mladá Boleslav	MB 1	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	8,681	0	0.0%	643,350	8.0 years	0	592,201	5.90%	5.90%	€ 10,500,000
364	1194	Mlada Boleslav - Nepreva	CTPark Mladá Boleslav II	N 1 - Extension	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	1,970	0	0.0%	167,203	8.2 years	0	121,913	5.90%	6.05%	€ 2,400,000
365	431	Ostrava - Hrabová	CTPark Ostrava	O 16	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	7,707	0	0.0%	482,258	6.8 years	0	452,418	5.75%	5.75%	€ 8,100,000
366	442	Ostrava - Hrabová	CTPark Ostrava	O 20	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	5,895	203	3.4%	317,901	3.6 years	9,988	307,939	5.75%	6.00%	€ 5,300,000
367	445	Ostrava - Hrabová	CTPark Ostrava	O 8	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	11,253	0	0.0%	759,736	9.5 years	0	673,508	5.75%	5.75%	€ 12,600,000
368	418	Plzeň - Borská Pole.	CTPark Plzeň	BP 26	Czech Republic	CTP Invest XXX, spol. s r.o.	Industrial	24,040	0	0.0%	917,169	8.5 years	0	915,156	6.00%	6.00%	€ 15,500,000
369	142	Ponávka	Ponávka	C8 Ponávka	Czech Republic	CTP Ponávka Business Park, spol. s r.o.	Industrial	2,776	2,023	72.9%	59,896	5.7 years	155,310	214,032	5.75%	6.75%	€ 3,300,000
370	455	Divišov	CTPark Divišov	D1 Extension (Unit F)	Czech Republic	CTP Vysočina, spol. s r.o.	Industrial	4,546	0	0.0%	270,277	4.7 years	0	266,283	5.90%	6.05%	€ 4,500,000
371	440	Brno - Líšeň	CTPark Brno Líšeň II	ZET 9	Czech Republic	CTPark Brno Líšeň II, spol. s r.o.	Industrial	11,199	2,965	26.5%	341,624	2.2 years	103,182	444,806	n.a.	n.a.	€ 5,264,000
376	1068	Chrášťany	TPark Prague West (Chrášťan	CHR 1	Czech Republic	CTPark Prague West, spol. s r.o.	Industrial	5,626	0	0.0%	464,758	11.5 years	0	474,402	5.25%	5.25%	€ 9,100,000
377	453	Novy Jicin	CTPark Nový Jičín	NJ 3	Czech Republic	CTP Moravia North, spol. s r.o.	Industrial	9,158	2,378	26.0%	424,836	7.4 years	114,144	508,818	5.90%	6.25%	€ 8,600,000
378	457	Blatnice	CTPark Blatnice	BL 2 (Unit A,B)	Czech Republic	CTP Pilsen Region, spol. s r.o.	Industrial	27,862	11,691	42.0%	786,630	6.5 years	540,124	1,298,368	6.00%	7.00%	€ 17,400,000
379	459	Mlada Boleslav - Bezděčír	CTPark Mladá Boleslav	MB 2	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	8,446	0	0.0%	466,774	10.3 years	0	466,774	5.90%	5.90%	€ 8,100,000
380	1150	Plzeň - Borská Pole.	CTPark Plzeň	BP 23	Czech Republic	CTP Borská Pole, spol. s r.o.	Industrial	15,702	0	0.0%	994,145	5.9 years	0	912,132	5.50%	5.50%	€ 17,100,000
381	1210	Ostrava - Hrabová	CTPark Ostrava	O 23	Czech Republic	CTPark Ostrava, spol. s r.o.	Industrial	53,967	3,507	6.5%	2,857,144	9.8 years	178,857	3,053,739	5.75%	5.75%	€ 53,100,000
383	1226	Prague - Nupaky	CTPark Prague East	NU 5	Czech Republic	CTPark Prague East, spol. s r.o.	Industrial	16,340	0	0.0%	996,900	5.0 years	0	917,838	5.25%	5.25%	€ 17,600,000
384	1227	Mlada Boleslav - Nepreva	CTPark Mladá Boleslav II	N 4 (unit A)	Czech Republic	CTPark Mladá Boleslav, spol. s r.o.	Industrial	9,263	3,528	38.1%	304,426	4.7 years	182,045	484,120	5.90%	6.50%	€ 7,700,000
385	1232	Brno - Líšeň	CTPark Brno Líšeň	ZET 3	Czech Republic	CTPark Brno Líšeň West, spol. s r.o.	Industrial	7,640	0	0.0%	510,600	14.9 years	0	474,804	5.50%	5.50%	€ 9,100,000
386	1231	Blučina	CTPark Blučina	BLU 2 (Unit A,B)	Czech Republic	CTP Moravia South, spol. s r.o.	Industrial	8,262	3,705	44.8%	277,566	10.5 years	191,554	449,372	5.90%	6.90%	€ 7,200,000
387	n/a	Aš	CTPark Aš	AS 7	Czech Republic	Valkenburg s.r.o.	Industrial	12,569	0	0.0%	676,750	14.7 years	0	662,749	6.50%	6.50%	€ 10,800,000
0221	0221	Km.23 (Bolintin-Deal), CF	CTPArk Bucharest West II	BUW1	Romania	CTPark Bucharest West II SRL	Industrial	13,933	7,368	52.9%	186,354	0.2 years	321,835	743,246	7.65%	8.65%	€ 8,460,000
0222	0222	Km.23 (Bolintin-Deal), CF	CTPArk Bucharest West II	BUW2	Romania	CTPark Bucharest West II SRL	Industrial	10,592	10,592	100.0%	166,688	0.0 years	500,064	500,064	7.65%	9.65%	€ 5,320,000
0223	0223	Km.23 (Bolintin-Deal), CF	CTPArk Bucharest West II	BUW3(BU3)	Romania	CTPark Bucharest West II SRL	Industrial	10,076	1,993	19.8%	560,861	3.9 years	89,663	598,193	7.65%	8.40%	€ 7,360,000
0227	0227	Arad, 5 Stelelor St.	CTPark Beta Arad	AR1	Romania	CTPark Beta SRL	Industrial	45,612	1,331	2.9%	1,888,157	2.2 years	58,578	2,061,399	8.25%	9.00%	€ 23,800,000
0233	0233	Turda (Badeni-Moldoven	CTPark Beta Turda	TU5	Romania	CTPark Beta SRL	Industrial	3,404	63	1.8%	227,823	9.3 years	4,709	217,794	8.00%	8.25%	€ 2,800,000
0235	0235	Deva (Bacia), 182A, DN66	Deva Logistics Center	DEV1A	Romania	Deva Logistics Center SRL	Industrial	20,797	0	0.0%	693,444	0.3 years	0	1,011,550	8.75%	9.50%	€ 10,960,000
0236	0236	Deva (Bacia), 182A, DN66	Deva Logistics Center	DEV1B	Romania	Deva Logistics Center SRL	Industrial	5,172	0	0.0%	405,449	1.2 years	0	370,448	8.75%	9.50%	€ 4,040,000
0237	0237	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH2(A)	Romania	CTPark Bucharest SRL	Industrial	39,623	9,296	23.5%	1,529,710	2.8 years	521,444	1,995,333	7.40%	8.25%	€ 24,840,000
0238	0238	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH3(C)	Romania	CTPark Bucharest SRL	Industrial	15,149	1,535	10.1%	734,841	2.5 years	69,996	730,808	7.40%	8.25%	€ 9,160,000
0239	0239	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH4D-1	Romania	CTPark Bucharest SRL	Industrial	28,879	0	0.0%	1,364,766	7.4 years	0	1,416,287	7.40%	7.70%	€ 18,540,000
0240	0240	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH5D-2	Romania	CTPark Bucharest SRL	Industrial	19,283	0	0.0%	817,027	7.4 years	0	863,184	7.40%	7.70%	€ 11,220,000
0241	0241	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH6(F)	Romania	CTPark Bucharest SRL	Industrial	7,715	4,305	55.8%	250,353	3.8 years	227,329	390,289	7.40%	8.40%	€ 4,740,000
0242	0242	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH7(G)	Romania	CTPark Bucharest SRL	Industrial	15,922	0	0.0%	937,114	6.9 years	0	894,185	7.40%	7.65%	€ 12,080,000
0243	0243	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH8	Romania	CTPark Bucharest SRL	Industrial	2,598	0	0.0%	172,800	2.7 years	0	220,083	8.50%	9.25%	€ 2,300,000
0256	0256	Km.23 (Joita), 295 Podul	CTPark West I	BUW7(DC1+DC2/DC1A+DC1B)	Romania	CTPark Bucharest West I SRL	Industrial	54,432	11,886	21.8%	2,038,171	3.1 years	563,348	2,480,955	7.65%	8.40%	€ 30,460,000
0257	0257	Km.23 (Joita), 295 Podul	CTPark West I	BUW8(DC3+DC4/DC2A+DC2B)	Romania	CTPark Bucharest West I SRL	Industrial	52,732	47,409	89.9%	521,187	0.8 years	2,083,531	2,323,807	7.65%	8.75%	€ 26,100,000
0258	0258	Deva, 17 Depozitelor St.	CTPark Alpha Deva	DE1A	Romania	CTPark Alpha SRL	Industrial	20,692	0	0.0%	721,185	2.6 years	0	886,952	9.00%	9.60%	€ 9,400,000
0277	0277	Timisoara (Ghiroda) 107 l	CTPark Beta Timisoara	TI1	Romania	CTPark Beta SRL	Industrial	9,856	0	0.0%	485,470	4.0 years	0	479,982	8.15%	8.65%	€ 5,600,000
0317	0317	Chiajna	CTPark Bucharest II	BUCH13	Romania	CTPark Bucharest II	Industrial	21,954	0	0.0%	984,118	1.6 years	0	1,037,482	7.65%	8.50%	€ 12,660,000
0341	0341	Salonta, 140 Aradului St.	CTPark Delta Salonta	SAL1	Romania	CTPark Delta SRL	Industrial	9,912	0	0.0%	563,680	6.6 years	0	582,826	9.50%	9.75%	€ 5,940,000
0342	0342	Ineu, 23 Aradului St.	CTPark Delta Ineu	INE1	Romania	CTPark Delta SRL	Industrial	22,482	0	0.0%	1,341,257	3.3 years	0	1,258,783	9.25%	10.00%	€ 12,980,000
0345	0345	Chitila	CTPark Kappa	CHIT1	Romania	CTPark Kappa SRL	Industrial	38,226	0	0.0%	1,797,873	3.9 years	0	2,313,846	7.75%	8.40%	€ 27,740,000
0370	0370	Deva, 17 Depozitelor St.	CTPark Alpha Deva	DE2	Romania	CTPark Alpha SRL	Office	640	640	100.0%	14,080	0.0 years	42,240	42,240	11.00%	13.00%	€ 260,000
0381	0381	Dragomiresti-Deal, Gabri	CTPark Bucharest	BUCH1(B)	Romania	CTPark Bucharest SRL	Industrial	17,212	0	0.0%	981,847	5.2 years	0	908,328	7.40%	7.65%	€ 12,580,000
0382	0382	Dragomiresti-Deal, Gabri	CTPark Bucharest Gamma	BUCH10-UnitA-F	Romania	CTPark Gamma SRL	Industrial	35,810	6,493	18.1%	1,630,432	5.6 years	352,373	1,954,073	7.40%	7.90%	€ 24,700,000
0383	0383	Dragomiresti-Deal, Gabri	CTPark Bucharest Gamma	BUCH12	Romania	CTPark Gamma SRL	Industrial	22,297	0	0.0%	1,198,426	4.0 years	0	1,248,947	7.40%	8.00%	€ 16,180,000
0384	0384	Km.23 (Bolintin-Deal)	CTPark West I	BUW10CROSSDOCK	Romania	CTPark Bucharest West I SRL	Industrial	67,715	52	0.1%	3,428,857	2.3 years	0	3,617,193	7.65%	8.25%	€ 46,120,000
0385	0385	Km.23 (Bolintin-Deal)	CTPark West I	BUW12	Romania	CTPark Bucharest West I SRL	Industrial	32,421	10,238	31.6%	1,289,380	2.7 years	469,890	1,533,108	7.65%	8.25%	€ 18,760,000
0386	0386	Km.23 (Bolintin-Deal)	CTPark West I	BUW13	Romania	CTPark Bucharest West I SRL	Industrial	8,738	110	1.3%	451,279	1.8 years	2,244	446,030	7.65%	8.25%	€ 5,580,000
0387	0387	Km.23 (Bolintin-Deal)	CTPark West I	BUW15	Romania	CTPark Phi SRL	Industrial	23,461	0	0.0%	1,092,095	3.3 years	0	1,056,315	7.65%	8.25%	€ 13,240,000
0388	0388	Km.23 (Bolintin-Deal)	CTPark West I	BUW16	Romania	CTPark Phi SRL	Industrial	88,786	4,319	4.9%	3,913,675	5.2 years	165,286	4,002,629	7.65%	8.00%	€ 51,320,000
0389	0389	Cateasca #287	CTPArk Pitesti	PIT1	Romania	CTPark Alpha SRL	Industrial	23,046	0	0.0%	1,275,715	6.1 years	0	1,172,819	7.75%	8.00%	€ 15,220,000
0390	0390	Cateasca #287	CTPArk Pitesti	PIT2	Romania	CTPark Omega SRL	Industrial	20,436	0	0.0%	868,335	4.8 years	0	885,911	7.75%	8.25%	€ 10,760,000
0391	0391	Sibiu, 7 Europa Unita St.	CTPark Lambda Sibiu	SU8	Romania	CTPark Lambda SRL	Industrial	13,373	0	0.0%	880,591	7.6 years	0	826,185	8.00%	8.25%	€ 10,420,000
0392	0392	Timisoara (Ghiroda) 150 l	CTPark Sigma Timisoara	TIM1	Romania	CTPark Sigma SRL	Industrial	32,448	0	0.0%	1,447,542	1.8 years	0	1,689,026	8.00%	8.75%	€ 19,900,000
0393	0393	Turda (Badeni-Moldoven	CTPark Beta turda	TU5ExtensionI(6.959,29sqm)	Romania	CTPark Beta SRL	Industrial	6,960	0	0.0%	437,812	9.3 years	0	421,655	8.00%	8.25%	€ 5,340,000
0396	0396	Cluj (Luna de Sus/Gilau),	CTPark Alpha Cluj	CLU1(UnitA)	Romania	CTPark Alpha SRL	Industrial	7,787	0	0.0%	412,423	3.5 years	0	408,304	8.00%	8.50%	€ 4,880,000
0421	0421	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH16	Romania	CTPark Bucharest A1	Industrial	8,399	0	0.0%	334,194	2.3 years	0	386,456	7.40%	8.00%	€ 4,840,000
0422	0422	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH17	Romania	CTPark Bucharest A1	Industrial	12,158	0	0.0%	510,086	4.4 years	0	545,908	7.40%	8.00%	€ 6,920,000
0423	0423	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH18	Romania	CTPark Bucharest A1	Industrial	21,802	663	3.0%	833,619	4.6 years	51,714	895,957	7.40%	8.00%	€ 11,320,000

Property Number	CTP Property number	Location	CTPark	Property Name	Country	Company	Use	Gross Leattable Area (sqm)	Available Area (sqm)	Vacancy	Current Income (€ p.a.)	WAULT	ERV from Vacant Area (€ p.a.)	ERV (€ p.a.)	Exit Yield	Discount Rate	Market Value as of 31st December 2020
0424	0424	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH19(O1)	Romania	CTPark Bucharest A1	Industrial	7,013	400	5.7%	262,326	4.8 years	31,200	269,841	7.50%	8.10%	**€ 3,480,000**
0425	0425	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH20(Q1)	Romania	CTPark Bucharest A1	Industrial	7,765	7,765	100.0%	103,513	0.0 years	310,538	310,538	7.50%	9.50%	**€ 3,320,000**
0426	0426	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH21	Romania	CTPark Bucharest A1	Industrial	2,055	0	0.0%	51,501	4.6 years	0	101,866	7.40%	7.80%	**€ 1,120,000**
0427	0427	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH22	Romania	CTPark Bucharest A1	Industrial	8,936	0	0.0%	416,944	3.5 years	0	436,477	7.40%	8.00%	**€ 5,560,000**
0428	0428	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH23	Romania	CTPark Bucharest A1	Industrial	8,626	0	0.0%	425,635	3.4 years	0	431,605	7.40%	8.00%	**€ 5,540,000**
0429	0429	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	BUCH24	Romania	CTPark Bucharest A1	Industrial	3,366	0	0.0%	149,937	2.3 years	0	158,828	7.40%	8.00%	**€ 2,020,000**
1138	1138	Km.23 (Bolintin-Deal), 14	CTPark West I	BUW14	Romania	CTPark Eta SRL	Industrial	70,290	9,175	13.1%	3,246,205	2.9 years	412,875	3,400,055	7.65%	8.25%	**€ 42,540,000**
1174	1174	Cateasca #287	CTPArk Pitesti	PIT3	Romania	CTPark Omega SRL	Industrial	6,081	0	0.0%	416,112	3.0 years	0	390,627	7.75%	8.50%	**€ 4,780,000**
1191	1191	Km.23 (Bolintin-Deal), CF	CTPark West I	BUW17	Romania	CTPark Eta SRL	Industrial	132,986	0	0.0%	4,450,971	6.0 years	0	5,644,621	7.65%	8.00%	**€ 65,360,000**
0394	0394	Salonta, 140 Aradului St.	CTPark Delta salonta	SAL1	Romania	CTPark Delta SRL	Industrial	4,228	0	0.0%	224,759	6.6 years	0	190,260	9.50%	9.75%	**€ 2,140,000**
1203	1203	Dragomiresti-Deal, Gabri	CTPark Bucharest Gamma	BUCH10-UnitG-H	Romania	CTPark Gamma SRL	Industrial	15,326	8,018	52.3%	425,728	4.2 years	365,634	708,875	7.40%	8.40%	**€ 8,480,000**
1201	1201	Cluj (Luna de Sus/Gilau),	CTPark Alpha Cluj	CLU1(UnitC)	Romania	CTPark Alpha SRL	Industrial	21,871	4,518	20.7%	843,143	5.9 years	203,305	998,251	8.00%	8.50%	**€ 11,720,000**
1235	1235	Dragomiresti-Deal, Gabri	CTPark Bucharest Gamma	BUCH9	Romania	CTPark Gamma SRL	Industrial	33,107	16,664	50.3%	1,125,007	7.1 years	767,413	1,564,897	7.40%	8.40%	**€ 19,480,000**
1192	1192	Sibiu (Cristian)	CTPark Tau Sibiu	SU2	Romania	CTPark Tau SRL	Industrial	13,569	4,959	36.5%	293,636	6.5 years	230,679	642,975	8.00%	8.50%	**€ 7,420,000**
2500	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest Upsilon	BUCH25	Romania	CTPark Bucharest Upsilon	Industrial	20,373	3,186	15.6%	916,317	4.0 years	161,897	959,136	8.00%	8.50%	**€ 11,580,000**
2600	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest Upsilon	BUCH26	Romania	CTPark Bucharest Upsilon	Industrial	18,164	1,881	10.4%	826,544	3.0 years	112,070	854,703	8.00%	8.60%	**€ 10,240,000**
2700	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest Upsilon	BUCH27	Romania	CTPark Bucharest Upsilon	Industrial	18,885	1,696	9.0%	708,594	1.1 years	86,732	875,212	8.00%	8.75%	**€ 10,360,000**
5001	N/A	Km.23 (Bolintin-Deal) CF	CTPark West I	BUW22-23	Romania	CTP Contractors SRL	Industrial	56,096	0	0.0%	3,706,763	10.6 years	0	3,073,051	7.65%	8.00%	**€ 44,820,000**
5002	N/A	Stefanestii de Jos	CTPark Theta Stefanesti	BUN1	Romania	CTPark Theta SRL	Industrial	20,856	10,413	49.9%	466,184	9.8 years	471,174	975,162	7.75%	8.75%	**€ 10,700,000**
5003	N/A	Km.23 (Bolintin-Deal)	CTPark Bucharest West II	BUW40	Romania	CTPark Bucharest West II SRL	Industrial	38,694	0	0.0%	1,146,603	12.5 years	0	1,262,088	7.90%	8.15%	**€ 14,920,000**
5004	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch29	Romania	CTPark Bucharest A1	Industrial	2,752	0	0.0%	93,296	1.1 years	0	103,843	9.25%	10.75%	**€ 900,000**
5005	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch30	Romania	CTPark Bucharest A1	Industrial	5,130	1,208	23.5%	139,543	1.9 years	57,981	199,007	9.25%	10.75%	**€ 1,600,000**
5006	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch39	Romania	CTPark Bucharest A1	Industrial	9,856	1,633	16.6%	320,071	2.1 years	49,570	398,958	9.25%	10.75%	**€ 3,440,000**
5007	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch38	Romania	CTPark Bucharest A1	Industrial	7,832	2,256	28.8%	216,410	2.4 years	79,332	317,228	9.25%	10.75%	**€ 2,720,000**
5008	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch37	Romania	CTPark Bucharest A1	Industrial	13,492	11,008	81.6%	178,379	3.6 years	433,339	540,296	9.25%	11.00%	**€ 4,320,000**
5009	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch31	Romania	CTPark Bucharest A1	Industrial	6,495	670	10.3%	168,333	4.2 years	29,493	257,624	9.25%	10.25%	**€ 2,220,000**
5010	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch33	Romania	CTPark Bucharest A1	Industrial	8,638	745	8.6%	233,498	1.2 years	16,397	308,765	9.25%	10.75%	**€ 2,700,000**
5011	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch28	Romania	CTPark Bucharest A1	Industrial	9,846	7,020	71.3%	101,089	1.5 years	225,971	360,147	9.50%	11.00%	**€ 2,520,000**
5012	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch34	Romania	CTPark Bucharest A1	Industrial	10,619	5,587	52.6%	254,274	2.6 years	237,373	450,106	9.25%	11.00%	**€ 3,720,000**
5013	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch36	Romania	CTPark Bucharest A1	Industrial	6,344	754	11.9%	224,014	2.3 years	31,299	254,695	9.25%	10.50%	**€ 2,240,000**
5014	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch35	Romania	CTPark Bucharest A1	Industrial	4,118	890	21.6%	145,134	1.5 years	39,709	176,148	9.25%	10.75%	**€ 1,540,000**
5015	N/A	Dragomiresti-Deal, Gabri	CTPark Bucharest A1	Buch32	Romania	CTPark Bucharest A1	Industrial	8,051	4,266	53.0%	185,912	3.9 years	158,641	311,440	9.25%	10.75%	**€ 2,620,000**
5016	N/A	Buchin, Lunca Grofului 1,	CTPark Beta Caras-Severin	Buchin	Romania	CTPark Beta SRL	Industrial	8,524	0	0.0%	328,913	1.1 years	0	291,521	11.00%	12.50%	**€ 2,260,000**
5017	N/A	Arad, 5 I St., N-V Industria	CTPark Beta Arad	Arad NV	Romania	CTPark Beta SRL	Industrial	6,294	0	0.0%	201,231	2.8 years	0	243,810	9.25%	10.75%	**€ 2,120,000**
5018	N/A	Chisoda, Str. Dn. 59 Km8	CTPark Beta Timisoara	TIM-Chisoda	Romania	CTPark Beta SRL	Industrial	10,450	0	0.0%	318,246	0.9 years	0	393,600	9.25%	10.75%	**€ 3,560,000**
1	244	Bratislava	CTPark Bratislava	BRA9	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	6,221	879	14.1%	292,614	9.6 years	32,598	308,040	7.00%	7.25%	**€ 4,600,000**
2	245	Bratislava	CTPark Bratislava	BRA 14	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	4,199	0	0.0%	299,722	3.6 years	0	269,478	6.65%	7.15%	**€ 4,000,000**
3	246	Bratislava	CTPark Bratislava	BRA 13	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	3,739	0	0.0%	268,034	3.6 years	0	225,738	6.65%	7.15%	**€ 3,400,000**
4	247	Bratislava	CTPark Bratislava	BRA 12	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	2,355	0	0.0%	156,777	2.6 years	0	138,978	6.85%	7.35%	**€ 2,000,000**
5	248	Bratislava	CTPark Bratislava	BRA 5_I	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	9,681	0	0.0%	491,592	2.0 years	0	493,008	6.85%	7.35%	**€ 6,900,000**
6	249	Bratislava	CTPark Bratislava	BRA 12_I	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	2,067	0	0.0%	141,737	2.1 years	0	128,718	6.85%	7.35%	**€ 1,900,000**
7	251	Bratislava	CTPark Bratislava	BRA 10	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	22,242	0	0.0%	1,096,176	3.6 years	0	1,165,126	6.65%	7.15%	**€ 16,800,000**
8	249	Bratislava	CTPark Bratislava	BRA 5_II	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	4,946	0	0.0%	240,382	2.0 years	0	227,962	6.85%	7.35%	**€ 3,200,000**
9	253	Bratislava	CTPark Bratislava	BRA 11	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	7,411	0	0.0%	479,720	3.0 years	0	418,284	6.65%	7.15%	**€ 6,300,000**
10	254	Bratislava	CTPark Bratislava	BRA 8	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	4,135	0	0.0%	296,178	0.4 years	0	227,238	7.15%	7.65%	**€ 3,100,000**
11	255	Bratislava	CTPark Bratislava	BRA 15	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	19,436	0	0.0%	1,117,907	2.4 years	0	961,584	6.85%	7.35%	**€ 13,900,000**
12	324	Bratislava	CTPark Bratislava	BRA 1	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	11,663	0	0.0%	761,730	3.2 years	0	667,680	6.65%	7.15%	**€ 9,900,000**
13	354	Bratislava	CTPark Bratislava	BRA 2	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	8,251	0	0.0%	606,616	5.8 years	0	483,618	6.35%	6.85%	**€ 8,000,000**
14	438	Bratislava	CTPark Bratislava	BRA2 Unit C	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	7,045	0	0.0%	491,040	4.7 years	0	385,398	6.45%	6.95%	**€ 6,200,000**
15	439	Bratislava	CTPark Bratislava	BRA2 Unit B	Slovakia	CTPark Bratislava, spol. s r.o.	Industrial	3,612	3,612	100.0%	0	n/a	195,048	195,048	7.35%	8.85%	**€ 2,200,000**
16	267	Trnava	CTPark Trnava	TRN 1	Slovakia	CTP Slovakia s.r.o.	Industrial	15,977	0	0.0%	941,333	2.1 years	0	802,066	7.35%	7.85%	**€ 10,400,000**
17	268	Trnava	CTPark Trnava	TRN 2	Slovakia	CTP Slovakia s.r.o.	Industrial	12,149	0	0.0%	664,327	1.9 years	0	597,219	7.35%	7.85%	**€ 7,500,000**
18	269	Trnava	CTPark Trnava	TRN 3	Slovakia	CTP Slovakia s.r.o.	Industrial	10,588	0	0.0%	628,952	5.2 years	0	547,860	7.00%	7.50%	**€ 7,400,000**
19	270	Trnava	CTPark Trnava	TRN 5	Slovakia	CTP Slovakia s.r.o.	Industrial	4,942	0	0.0%	222,774	1.0 years	0	222,390	7.50%	8.00%	**€ 2,800,000**
20	271	Trnava	CTPark Trnava	TRN 6	Slovakia	CTP Slovakia s.r.o.	Industrial	5,616	0	0.0%	283,286	1.0 years	0	278,373	7.50%	8.00%	**€ 3,500,000**
21	272	Trnava	CTPark Trnava	TRN 7	Slovakia	CTP Slovakia s.r.o.	Industrial	5,679	0	0.0%	281,868	1.4 years	0	269,274	7.50%	8.00%	**€ 3,400,000**
22	273	Trnava	CTPark Trnava	TRN 10	Slovakia	CTP Slovakia s.r.o.	Industrial	3,426	0	0.0%	229,080	1.0 years	0	196,575	7.50%	8.00%	**€ 2,500,000**
23	274	Trnava	CTPark Trnava	TRN 15	Slovakia	CTP Slovakia s.r.o.	Industrial	5,568	0	0.0%	324,902	2.0 years	0	286,848	7.35%	7.85%	**€ 3,700,000**
24	275	Nitra	CTPark Nitra	Nitra Reydel	Slovakia	CTP Slovakia s.r.o.	Industrial	15,347	0	0.0%	737,729	5.0 years	0	712,468	7.30%	7.80%	**€ 9,200,000**
25	276	Nitra	CTPark Nitra	Nitra Datamars	Slovakia	CTPark Nitra, spol. s r.o.	Industrial	5,978	0	0.0%	338,858	8.8 years	0	312,222	7.10%	7.35%	**€ 4,500,000**
26	289	Voderady	CTPark Voderady	VOD 1	Slovakia	CTP Alpha SK, spol. s r.o.	Industrial	10,678	0	0.0%	719,055	5.0 years	0	581,250	7.25%	7.75%	**€ 8,200,000**
27	292	Zilina	CTPark Zilina	ZG 1 – Phase 1 Faurecia part	Slovakia	CTP Alpha SK, spol. s r.o.	Industrial	2,935	0	0.0%	189,420	2.1 years	0	156,400	7.50%	8.00%	**€ 2,000,000**
28	315	Zilina	CTPark Zilina	ZG 1 – Phase II Baikal, Coba	Slovakia	CTP Alpha SK, spol. s r.o.	Industrial	7,005	0	0.0%	394,237	2.5 years	0	357,312	7.50%	8.00%	**€ 4,600,000**
29	351	Hlohovec	CTPark Hlohovec	HLO 1	Slovakia	CTPark Hlohovec, spol. s r.o.	Industrial	22,514	0	0.0%	986,295	9.4 years	0	1,074,330	6.95%	7.20%	**€ 14,800,000**
30	367	Nove Mesto	:TPark Nove Mesto nad Vahor	NM 1	Slovakia	CTPark Nove Mesto, spol. s r.o.	Industrial	10,587	0	0.0%	449,352	7.5 years	0	595,295	7.15%	7.40%	**€ 7,100,000**
31	1113	Voderady	CTPark Voderady	VOD 1 Phase II.	Slovakia	CTP Alpha SK, spol. s r.o.	Industrial	15,316	0	0.0%	1,480,283	5.0 years	0	766,788	7.25%	7.95%	**€ 12,900,000**
32	380	Zilina	CTPark Zilina	ZG2 Unit A	Slovakia	CTP Alpha SK, spol. s r.o.	Industrial	6,005	0	0.0%	393,599	8.3 years	0	325,933	6.95%	7.20%	**€ 5,000,000**
33	404	Trnava	CTPark Trnava	TRN 14	Slovakia	CTP Slovakia s.r.o.	Industrial	7,089	0	0.0%	375,571	3.5 years	0	328,521	7.15%	7.65%	**€ 4,400,000**
34	1197	Nove Mesto	:TPark Nove Mesto nad Vahor	NM1 extension	Slovakia	CTPark Nove Mesto, spol. s r.o.	Industrial	6,574	0	0.0%	389,860	7.5 years	0	310,568	7.15%	7.40%	**€ 4,600,000**
35	1199	Zilina	CTPark Zilina	Zilina_ZG 2 - Unit B	Slovakia	CTP Alpha SK, spol. s r.o.	Industrial	10,381	0	0.0%	645,989	8.3 years	0	523,835	6.95%	7.20%	**€ 8,200,000**
36	434	Hlohovec	CTPark Hlohovec	Hlohovec HLO1 extension	Slovakia	CTPark Hlohovec, spol. s r.o.	Industrial	6,674	0	0.0%	729,038	9.4 years	0	280,308	6.95%	7.45%	**€ 7,200,000**
37	437	Krasno Nad Kysucou	CTPark Krasno nad Kysucou	KNK1	Slovakia	:TPark Krásno nad Kysucou, spol. s r.o	Industrial	10,617	0	0.0%	594,901	9.5 years	0	557,951	7.25%	7.50%	**€ 7,600,000**
38	409	Kosice	CTPark Kosice	KSC 10 (Unit ABC)	Slovakia	CTPark Košice, spol. s r.o.	Industrial	11,887	3,468	29.2%	482,946	4.2 years	168,272	627,611	7.15%	7.90%	**€ 8,300,000**
39	414	Kosice	CTPark Kosice	KSC2	Slovakia	CTPark Košice, spol. s r.o.	Industrial	15,339	0	0.0%	982,146	4.7 years	0	811,260	7.15%	7.65%	**€ 11,700,000**
40	415	Kosice	CTPark Kosice	KSC9	Slovakia	CTPark Košice, spol. s r.o.	Industrial	1,585	0	0.0%	164,271	7.9 years	0	99,366	6.95%	7.40%	**€ 1,800,000**
41	416	Kosice	CTPark Kosice	KSC11	Slovakia	CTPark Košice, spol. s r.o.	Industrial	14,593	0	0.0%	773,247	2.7 years	0	708,907	7.25%	7.75%	**€ 9,500,000**
42	417	Kosice	CTPark Kosice	KSC12	Slovakia	CTPark Košice, spol. s r.o.	Industrial	10,644	600	5.6%	522,511	1.3 years	28,440	528,660	7.50%	8.00%	**€ 6,800,000**
43	1233	Kosice	CTPark Kosice	KSC10 (Unit D)	Slovakia	CTPark Košice, spol. s r.o.	Industrial	4,017	0	0.0%	255,997	9.8 years	0	245,716	6.95%	7.20%	**€ 3,700,000**
44	452	Trnava	CTPark Trnava	TRN 11	Slovakia	CTP Slovakia s.r.o.	Industrial	30,925	0	0.0%	2,066,592	10.4 years	0	1,426,786	6.50%	6.90%	**€ 23,500,000**
45	1167	Nitra	CTPark Nitra	NIT3	Slovakia	CTP Slovakia s.r.o.	Industrial	13,660	0	0.0%	808,850	10.0 years	0	668,616	7.00%	7.25%	**€ 10,900,000**
46	230	Bratislava	Bratislava	Dunaj	Slovakia	CTPark Bratislava, spol. s r.o.	Other	8,014	5,094	63.6%	239,338	0.0 years	0	239,338	3.50%	0.00%	**€ 6,700,000**
258	280	Tatabanya	CTPark Tatabánya	TBN4	Hungary	CTPark Alpha Kft.	Industrial	6,956	432	6.2%	378,212	9.3 years	0	339,192	7.25%	7.50%	**€ 5,100,000**
257	281	Győr	CTPark Győr	GY1 (PTG)	Hungary	CTPark Alpha Kft.	Industrial	11,065	116	1.0%	539,556	5.0 years	0	529,631	7.25%	7.50%	**€ 7,200,000**
259	282	Budapest Ullo	CTPark East	ULL1	Hungary	CTPark Beta Kft.	Industrial	24,792	1,591	6.4%	920,544	3.3 years	95,460	1,067,145	7.25%	7.75%	**€ 14,000,000**
261	283	Budapest Ullo	CTPark East	ULL2 (DHL)	Hungary	CTPark Alpha Kft.	Industrial	36,511	1,169	3.2%	2,090,258	3.4 years	44,372	1,966,785	7.25%	7.75%	**€ 27,200,000**
260	284	Budapest Ullo	CTPark East	ULL3 (17Ksped)	Hungary	CTPark Beta Kft.	Industrial	42,498	1,439	3.4%	1,812,799	5.2 years	5,820	2,117,838	7.25%	7.75%	**€ 27,000,000**
306	299	Biatorbagy	CTPark West	BIA1 (GSI)	Hungary	CTPark Delta Kft.	Industrial	10,499	0	0.0%	486,267	6.5 years	0	491,353	6.90%	7.15%	**€ 7,000,000**
307	318	Biatorbagy	CTPark West	BIA3 (Westlog)	Hungary	CTPark Biatorbágy Kft.	Industrial	71,595	0	0.0%	2,898,578	2.9 years	132,879	2,975,677	7.25%	8.00%	**€ 39,000,000**
316	319	Szombathely	CTPark Szombathely	SZO1	Hungary	CTPark Biatorbágy Kft.	Industrial	19,282	0	0.0%	983,382	2.7 years	0	902,398	7.75%	8.25%	**€ 11,400,000**
310	331	Biatorbagy	CTPark West	BIA20	Hungary	CTPark Biatorbágy Kft.	Industrial	9,412	32	0.3%	229,457	0.1 years	0	379,590	7.50%	8.00%	**€ 4,900,000**
311	332	Biatorbagy	CTPark West	BIA22	Hungary	CTPark Biatorbágy Kft.	Industrial	9,508	4,567	48.0%	273,683	4.3 years	158,814	389,499	7.50%	8.00%	**€ 5,000,000**
312	333	Biatorbagy	CTPark West	BIA21 (office)	Hungary	CTPark Biatorbágy Kft.	Office	1,572	730	46.4%	33,645	3.6 years	25,806	67,140	7.50%	8.00%	**€ 800,000**
313	334	Biatorbagy	CTPark West	BIA25	Hungary	CTPark Biatorbágy Kft.	Industrial	28,743	5,947	20.7%	1,063,997	2.7 years	169,857	1,228,281	7.50%	8.00%	**€ 15,700,000**
314	335	Biatorbagy	CTPark West	BIA24	Hungary	CTPark Biatorbágy Kft.	Industrial	6,006	108	1.8%	295,830	3.6 years	4,869	292,770	7.50%	8.00%	**€ 3,700,000**
315	336	Biatorbagy	CTPark West	BIA23	Hungary	CTPark Biatorbágy Kft.	Industrial	5,985	15	0.3%	299,880	14.8 years	0	248,280	7.50%	8.00%	**€ 3,800,000**
355	355	Székesfehérvár	CTPark Székesfehérvár	SZF1	Hungary	Park Ten Kft. (M7 Distribution centre K	Industrial	25,997	156	0.6%	1,151,172	3.4 years	7,020	1,190,391	7.25%	7.75%	**€ 15,800,000**
309	373	Biatorbagy	CTPark West	BIA2 (GSI)	Hungary	CTPark Delta Kft.	Industrial	16,441	252	1.5%	918,890	7.1 years	25,229	884,576	6.90%	7.15%	**€ 13,000,000**
319	374	Gyor	CTPark Arrabona	GYR1 (Dana)	Hungary	CTPark Arrabona Kft.	Industrial	14,914	0	0.0%	1,144,570	11.2 years	0	842,313	7.00%	7.50%	**€ 14,600,000**
318	375	Tatabanya	CTPark Tatabánya	TBN1	Hungary	CTPark Gamma Kft.	Industrial	28,157	0	0.0%	1,512,007	7.8 years	0	1,446,294	7.00%	7.25%	**€ 21,000,000**
378	378	Komarom	CTPark Komárom	KMR1 (Phase I)	Hungary	CTPark Alpha Kft.	Industrial	14,387	0	0.0%	816,000	12.0 years	0	703,257	7.00%	7.25%	**€ 11,300,000**
379	379	Tatabanya	CTPark Tatabánya	TBN2	Hungary	CTPark Alpha Kft.	Industrial	5,351	0	0.0%	281,249	9.3 years	0	272,901	7.00%	7.25%	**€ 4,000,000**
1107	1107	Tatabanya	CTPark Tatabánya	TBN3	Hungary	CTPark Alpha Kft.	Industrial	11,494	0	0.0%	604,125	9.3 years	0	586,194	7.00%	7.25%	**€ 8,600,000**
441	441	Budapest Biatorbagy	CTPark West	CTPark Budapest West BIA 7	Hungary	CTPark Delta Kft.	Industrial	10,400	0	0.0%	699,563	6.9 years	0	605,880	6.90%	7.15%	**€ 9,100,000**
1209	1209	Budapest Biatorbagy	CTPark West	CTPark Biatorbagy BIA 6	Hungary	CTPark Nine Kft.	Industrial	30,838	427	1.4%	1,833,652	6.4 years	24,339	1,847,007	6.90%	7.15%	**€ 26,600,000**
1212	1212	Gyor	CTPark Arrabona	GYR1 (Dana extension)	Hungary	CTPark Arrabona Kft.	Industrial	9,407	0	0.0%	870,846	11.2 years	0	497,730	7.00%	7.65%	**€ 10,000,000**
0	0	Budapest Dunaharaszti	CTPark South	DHN 1	Hungary	CTPark Seven Kft.	Industrial	22,803	0	0.0%	1,386,621	5.0 years	0	1,369,705	7.00%	7.25%	**€ 19,300,000**
0	0	Gyor	CTPark Arrabona	GYR3	Hungary	CTPark Arrabona Kft.	Industrial	5,551	1,253	22.6%	286,826	5.2 years	67,662	314,286	7.00%	7.25%	**€ 4,500,000**
0	320	Komarom	CTPark Komárom	KMR 2-4	Hungary	CTPark Eight Kft.	Industrial	48,105	40,589	84.4%	379,900	0.7 years	2,127,662	2,467,305	8.00%	8.50%	**€ 28,300,000**
366	366	Beograd	CTPark Beograd West	CTPark Beograd West SIM 2	Serbia	CTP Alpha d.o.o.	Industrial	10,228	0	0.0%	703,698	15.7 years	0	607,481	8.50%	9.00%	**€ 9,100,000**
436	436	Beograd	CTPark Beograd West	CTPark Beograd West SIM 1	Serbia	CTP Beta d.o.o.	Industrial	13,159	0	0.0%	640,451	8.7 years	0	677,724	8.50%	8.75%	**€ 7,900,000**
448	448	Kragujevac	CTPark Kragujevac	CTPark Kragujevac KRG 1	Serbia	CTP Delta d.o.o.	Industrial	24,177	91	0.4%	1,877,149	23.8 years	6,306	1,457,191	8.75%	9.50%	**€ 23,600,000**
1215	1215	Novi Sad	CTPark Novi Sad	Novi Sad NVS1	Serbia	CTP Gamma d.o.o.	Industrial	24,017	0	0.0%	1,558,008	10.0 years	0	1,477,215	8.75%	9.00%	**€ 18,300,000**
1253	1253	Belgrade North	CTPark Beograd North	NBC 2	Serbia	CTP Lambda d.o.o.	Industrial	19,410	6,861	35.3%	549,203	5.1 years	329,328	898,794	8.50%	8.75%	**€ 10,100,000**
362	362	Opole	CTPark Opole	OPO 1A 1B	Poland	CTPark Opole Sp. z o.o.	industrial	35,604	10,850	30.5%	1,441,430	8.0 years	491,429	1,815,622	6.25%	6.75%	**€ 27,100,000**
372	372	Opole	CTPark Opole	OPO2	Poland	CTPark Opole Sp. z o.o.	industrial	6,742	458	6.8%	393,382	8.4 years	22,200	348,859	6.25%	6.50%	**€ 5,800,000**
TOTAL								**5,812,955**	**554,730**	**9.5%**	**319,112,721**		**30,360,229**	**327,918,877**			**5,036,361,000**

Development Properties Valuation Summary

Property Number	Country	Site Area (sqm)	Location	Property	Estimated Completion Date	Planning Status	Costs spent	Pre-leased	Valuation Approach	Gross Lettable Area (sqm)	Contracted Income (EUR p.a.)	ERV Vacant (EUR p.a.)	GOI (EUR p.a.)	NOI (EUR p.a.)	Market Value of Completed Project (EUR)	Pending Estimated Project Costs & Developer's Profit (Excluding Site Purchase)	Market Value as of 31st December 2020 (EUR)
P 01	Czech Republic	36,964	CTPark Bor	B 7 extension (Unit F)	2021	BP	57.09%	0.00%	Residual	24,723	0	1,432,896	1,432,896	1,418,567	25,800,000	10,101,887	14,750,000
P 03	Czech Republic	4,590	CTPark Plzen	BP 22	2021	BP	80.80%	19.25%	Residual	2,520	49,878	133,455	183,333	181,500	3,300,000	746,001	2,430,000
P 08	Czech Republic	67,248	CTPark Cheb	CHE 1.1	2021	BP	95.19%	0.00%	Residual	33,742	0	1,507,820	1,507,820	1,492,742	24,880,000	3,811,174	19,930,000
P 18	Czech Republic	18,684	CTPark Brno Líšeň	ZET 2	2021	BP	51.63%	58.36%	Residual	7,750	304,720	183,939	488,659	483,772	8,800,000	2,455,336	6,000,000
P 20	Czech Republic	4,596	CTPark Brno Líšeň	ZET 6	2021	BP	50.11%	0.00%	Residual	3,751	0	256,971	256,971	254,401	4,630,000	1,803,709	2,660,000
P 21	Czech Republic	4,596	CTPark Brno Líšeň	ZET 7	2021	BP	54.28%	0.00%	Residual	3,751	0	256,971	256,971	254,401	4,630,000	1,699,061	2,750,000
P 23	Czech Republic	2,252	Vlněna Office Park	Building C	2021	BP	99.46%	44.06%	Residual	10,554	727,320	935,445	1,662,765	1,596,254	26,610,000	2,082,469	22,890,000
P 24	Czech Republic	2,251	Vlněna Office Park	Building D	2021	BP	93.40%	50.19%	Residual	9,087	727,320	728,895	1,456,215	1,397,966	23,300,000	2,741,107	19,190,000
P 25	Czech Republic	2,529	Vlněna Office Park	Building E	2021	BP	97.95%	0.00%	Residual	6,573	0	1,033,443	1,033,443	992,105	16,540,000	2,195,971	13,300,000
P 26	Slovakia	25,068	CTPark Žilina	ZG 3 - Unit A	2021	BP	27.44%	100.00%	Residual	16,631	740,276	0	740,276	725,470	10,370,000	5,119,734	4,930,000
P 28	Slovakia	11,666	CTPark Bratislava	BRA 4	2021	BP	39.09%	0.00%	Residual	8,327	0	473,358	473,358	463,891	7,200,000	3,675,961	3,310,000
P 31	Slovakia	12,326	CTPark Trnava	TRN 14b	2021	BP	55.02%	0.00%	Residual	7,466	0	350,370	350,370	343,363	4,910,000	2,063,671	2,670,000
P 32	Slovakia	22,156	CTPark Prešov	PR 1	2021	BP	19.63%	0.00%	Residual	12,156	0	542,858	542,858	532,001	7,100,000	5,369,290	1,620,000
P 33	Hungary	77,697	CTPark Budapest West	BIA 5	2021	BP	67.85%	63.56%	Residual	31,382	1,240,496	686,220	1,926,716	1,907,449	27,250,000	6,204,973	19,770,000
P 36	Hungary	87,008	CTPark Budapest South (D	DHR 2	2021	BP	52.80%	73.00%	Residual	37,164	1,737,467	575,700	2,313,167	2,290,035	32,720,000	10,338,123	21,320,000
P 47	Slovakia	19,785	CTPark Trnava	TRN 9 A	2021	BP	51.40%	100.00%	Residual	8,649	613,131	0	613,131	600,868	9,250,000	3,068,604	5,930,000
P 51	Romania	63,348	CTPark Bucharest North	BUN 1 (Phase 2, 3)	2021	BP	32.39%	0.00%	Residual	41,220	0	1,623,888	1,623,888	1,607,649	18,070,000	11,944,794	5,750,000
P 52	Czech Republic	45,676	CTPark Bor	B 12 Primark	2021	BP	79.32%	100.00%	Residual	28,668	1,396,117	0	1,396,117	1,382,156	26,330,000	3,545,620	21,700,000
P 54	Czech Republic	35,727	CTPark Prague East	NU 3	2021	BP	38.19%	19.27%	Residual	13,551	213,324	722,243	935,567	926,211	17,160,000	6,991,339	9,620,000
P 55	Romania	33,000	CTPark Timisoara	TIM 3	2021	BP	33.94%	100.00%	Residual	16,073	736,057	267,950	1,004,007	993,967	12,430,000	7,499,181	4,660,000
P 57	Romania	25,515	CTPark Turda	TU 4	2021	BP	16.52%	0.00%	Residual	14,308	0	622,973	622,973	616,743	6,930,000	5,581,061	1,270,000
P 58	Hungary	79,040	CTPark Budapest East	ULL 5	2021	BP	37.38%	100.00%	Residual	39,519	4,695,804	0	4,695,804	4,648,846	50,260,000	24,935,940	24,280,000
P 60	Serbia	61,000	CTPark Kragujevac	KRG 2	2021	BP	50.75%	100.00%	Residual	29,385	2,239,441	0	2,239,441	2,217,047	24,640,000	10,054,820	13,990,000
P 61	Czech Republic	125,883	CTPark Bor	B 11	2021	BP	21.36%	100.00%	Residual	66,294	3,362,178	0	3,362,178	3,328,556	63,410,000	28,586,738	33,090,000
P 62	Czech Republic	4,591	CTPark Plzen	BP 24 CTBox	2021	BP	13.61%	0.00%	Residual	2,365	0	166,005	166,005	164,345	2,990,000	2,040,887	890,000
P 63	Czech Republic	10,245	CTPark Plzen	BP 25	2021	BP	66.83%	100.00%	Residual	5,277	377,022	0	377,022	373,252	6,920,000	1,348,469	5,340,000
P 64	Czech Republic	58,647	CTPark Ostrava Poruba	OP 1	2021	BP	36.38%	0.00%	Residual	31,859	0	1,601,232	1,601,232	1,585,220	27,570,000	14,019,671	12,730,000
P 65	Czech Republic	21,857	CTPark Žatec	ZA 3 - Unit A	2021	BP	60.11%	100.00%	Residual	11,813	676,198	0	676,198	669,436	11,160,000	2,726,913	8,090,000
P 66	Czech Republic	1,593	Ponávka	Domeq II / III	2021	BP	23.16%	0.00%	Land+cost spent	13,721	0	1,226,667	1,226,667	736,000	n/a	n/a	4,310,000
P 68	Czech Republic	3,747	CTPark Nošovice	NO 1 Unit D Phase I	2021	BP	5.35%	100.00%	Residual	2,623	131,276	0	131,276	129,964	2,210,000	1,429,940	740,000
P 69	Czech Republic	3,110	Vlněna Office Park	Building I	2021	BP	6.77%	0.00%	Residual	8,836	0	1,510,956	1,510,956	1,450,518	24,180,000	22,337,143	1,690,000
P 70	Czech Republic	12,785	CTPark Ostrava	O 26 Unit A	2021	BP	74.79%	100.00%	Residual	8,764	516,504	0	516,504	511,339	8,900,000	1,375,700	7,210,000
P 74	Hungary	22,795	CTPark Biatorbágy	BIA 8	2021	BP	10.82%	0.00%	Residual	7,091	0	539,920	539,920	534,521	7,640,000	5,180,416	2,300,000
P 76	Slovakia	15,800	CTPark Košice	KSC 13 Unit A	2021	BP	0.02%	100.00%	Residual	8,657	469,340	0	469,340	459,953	6,720,000	4,902,294	1,740,000
P 77	Romania	57,372	CTPark Bucharest	BUCH 11	2021	BP	90.33%	0.00%	Residual	30,872	0	1,364,307	1,364,307	1,350,664	16,890,000	3,846,369	12,260,000
		1,081,147								**605,122**	**20,953,869**	**18,744,481**	**39,698,350**	**38,621,172**			**335,110,000**

Land Bank Valuation Summary						
Property Number	**Location**	**Country**	**Country**	**Area (sq m)**	**Market Value (EUR / sq m)**	**Market Value (EUR)**
L 01	CTPark Bor	CZ	Czech Republic	118,372	40.0	4,730,000
L 02	CTPark Brno South	CZ	Czech Republic	407,960	20.0	8,160,000
L 03	CTPark Cerhovice	CZ	Czech Republic	212,574	28.0	5,950,000
L 04	CTPark Divišov	CZ	Czech Republic	1,242	29.0	40,000
L 05	CTPark Hranice	CZ	Czech Republic	89,383	20.0	1,790,000
L 06	CTPark Hrušky	CZ	Czech Republic	175,110	28.0	4,900,000
L 07	CTPark Lipník nad Bečvou	CZ	Czech Republic	77,043	20.0	1,540,000
L 08	CTPark Litice	CZ	Czech Republic	52,653	3.0	160,000
L 09	CTPark Modřice	CZ	Czech Republic	26,840	55.0	1,480,000
L 10	CTPark Ostrava	CZ	Czech Republic	19,928	43.0	860,000
L 11	CTPark Planá nad Lužnicí	CZ	Czech Republic	47,470	20.0	950,000
L 12	CTPark Jirny	CZ	Czech Republic	166,988	15.0	2,500,000
L 13	CTPark Žatec	CZ	Czech Republic	28,736	19.0	550,000
L 14	Ponávka	CZ	Czech Republic	6,585	375.0	2,470,000
L 15	CTZone Ostrava	CZ	Czech Republic	13,627	43.0	590,000
L 16	CTPark Blučina	CZ	Czech Republic	3,257	50.0	160,000
L 17	Brno - Přízřenice	CZ	Czech Republic	11,757	45.0	530,000
L 18	Brno Retail Park	CZ	Czech Republic	194,177	150.0	29,130,000
L 19	Ostrava - Náměstí republiky	CZ	Czech Republic	8,749	200.0	1,750,000
L 20	CTPark Ostrava Poruba	CZ	Czech Republic	153,537	43.0	6,600,000
L 21	Valašské Meziříčí	CZ	Czech Republic	3,635	70.0	250,000
L 22	Vlněna Office Park	CZ	Czech Republic	4,601	400.0	1,840,000
L 23	Vratimov	CZ	Czech Republic	2,337	15.0	40,000
L 24	CTPark Brno - D1 Exit	CZ	Czech Republic	83,439	30.0	2,500,000
L 25	CTPark Brno II	CZ	Czech Republic	71,118	65.0	4,620,000
L 26	CTPark Brno III - Piskovna	CZ	Czech Republic	63,119	22.0	1,390,000
L 27	CTPark Nošovice	CZ	Czech Republic	14,970	30.0	450,000
L 28	CTPark České Budějovice	CZ	Czech Republic	159,725	45.0	7,190,000
L 29	CTPark Prague North	CZ	Czech Republic	620,763	60.0	37,250,000
L 30	CTPark Prague East	CZ	Czech Republic	12,502	80.0	1,000,000
L 31	CTPark Mladá Boleslav II	CZ	Czech Republic	21,528	40.0	860,000
L 32	CTPark Blatnice	CZ	Czech Republic	201,181	20.0	4,020,000
L 33	CTPark Nový Jičín	CZ	Czech Republic	20,730	35.0	730,000
L 34	CTPark Zákupy	CZ	Czech Republic	20,615	25.0	520,000
L 35	CTPark Kvasiny	CZ	Czech Republic	56,180	70.0	3,930,000
L 36	CTPark Cheb	CZ	Czech Republic	29,394	35.0	1,030,000
L 37	CTPark Most	CZ	Czech Republic	17,716	30.0	530,000
L 38	CTPark Česká Lípa	CZ	Czech Republic	34,419	25.0	860,000
L 39	CTPark Veselí nad Lužnicí	CZ	Czech Republic	5,604	20.0	110,000
L 40	CTPark Holubice	CZ	Czech Republic	24,327	45.0	1,090,000
L 41	CTPark Přeštice	CZ	Czech Republic	18,427	50.0	920,000
L 42	CTPark Karviná	CZ	Czech Republic	11,000	30.0	330,000
L 43	CTPark Žatec II	CZ	Czech Republic	13,458	19.0	260,000
L 44	CTPark Kadaň	CZ	Czech Republic	109,272	40.0	4,370,000
L 45	CTPark Brno Líšeň	CZ	Czech Republic	84,527	115.0	9,720,000
L 46	CTPark Hradec Kralove	CZ	Czech Republic	51,465	41.0	2,110,000
L 47	CTPark Prague West	CZ	Czech Republic	47,380	60.0	2,840,000
L 48	CTPark As	CZ	Czech Republic	127,927	22.5	2,880,000
L 49	CTPark Prešov	SK	Slovakia	432,683	25.0	10,820,000
L 50	CTPark Martin	SK	Slovakia	12,812	35.0	450,000
L 51	CTPark Bratislava	SK	Slovakia	20,726	85.0	1,760,000
L 52	CTPark Trnava	SK	Slovakia	198,003	30.0	5,940,000
L 53	CTPark Voderady	SK	Slovakia	49,999	30.0	1,500,000
L 54	CTPark Žilina	SK	Slovakia	15,533	35.0	540,000
L 55	CTPark Košice	SK	Slovakia	24,792	55.0	1,360,000
L 56	CTP Bratislava City	SK	Slovakia	142,360	100.0	14,240,000
L 57	CTPark Trnava II	SK	Slovakia	317,505	30.0	9,530,000
L 58	CTPark Kecskemét	HU	Hungary	60,833	25.0	1,520,000
L 59	CTPark Arrabona	HU	Hungary	49,463	35.0	1,730,000
L 60	CTPark Budapest East (Üllő)	HU	Hungary	140,394	27.0	3,790,000
L 61	CTPark Budapest West (Biatorbagy)	HU	Hungary	123,549	55.0	6,800,000
L 62	CTPark Maglód	HU	Hungary	3,364	25.0	80,000
L 63	CTPark Opole	PL	Poland	80,015	25.0	2,000,000
L 64	CTPark Ilowa	PL	Poland	339,736	16.0	5,440,000
L 65	CTPark Zabrze	PL	Poland	210,297	24.0	5,050,000
L 66	CTPark Pitesti	RO	Romania	94,952	15.7	1,490,000
L 67	CTPark Turda	RO	Romania	108,327	24.6	2,660,000
L 68	CTPark Bucharest West - part II	RO	Romania	115,846	27.0	3,130,000
L 69	CTPark Deva II	RO	Romania	18,000	12.0	220,000
L 70	CTPark Bucharest - part I	RO	Romania	153,398	37.8	5,800,000
L 71	CTPark Ineu	RO	Romania	11,259	9.9	110,000
L 72	CTPark Bucharest Chitila	RO	Romania	21,785	46.6	1,020,000
L 73	CTPark Bucharest West - part I	RO	Romania	200,977	27.0	5,430,000
L 74	CTPark Salonta	RO	Romania	30,368	11.7	360,000
L 75	CTPark Timisoara III	RO	Romania	65,559	30.6	2,010,000
L 76	CTPark Sibiu	RO	Romania	69,240	29.8	2,060,000
L 77	CTPark Bucharest West - part I	RO	Romania	165,337	27.0	4,460,000
L 78	CTPark Bucharest West - part I	RO	Romania	399,947	27.0	10,800,000
L 79	CTPark Bucharest West - part I	RO	Romania	34,265	28.4	970,000
L 80	CTPark Bucharest West - part I	RO	Romania	280,001	27.0	7,560,000
L 81	CTPark Bucharest North	RO	Romania	98,406	32.4	3,190,000
L 82	CTPark Bucharest West - part II	RO	Romania	35,600	22.5	800,000
L 83	CTPark Bucharest North	RO	Romania	179,767	28.4	5,110,000
L 84	CTPark Bucharest - part I	RO	Romania	63,876	42.5	2,710,000
L 85	CTPark Arad	RO	Romania	195,102	24.8	4,840,000
L 86	CTPark Beograd West	RS	Serbia	12,000	28.0	340,000
L 87	CTPark Beograd North	RS	Serbia	99,416	30.0	2,980,000
L 88	CTPark Sofia East	BG	Bulgaria	174,954	40.9	7,150,000
L 89	CTPark Ljubljana Airport	SI	Slovenia	79,639	75.0	5,970,000
Total				**8,677,433**		**322,200,000**

Appendix 2

General Principles Adopted in the Preparation of Valuations and Reports

General Principles

Adopted in the preparation of Valuations and Reports

These General Principles should be read in conjunction with JLL's General Terms and Conditions of Business except insofar as this may be in conflict with other contractual arrangements.

RICS Valuation - Global Standards (effective 31 January 2020)

All work is carried out in accordance with the Professional Standards, Valuation Technical and Performance Standards and Valuation Applications contained in the current RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors and the RICS Valuation – Global Standards 2017 – UK national supplement as applicable ("the RICS Red Book"), by valuers who conform to the requirements thereof. Our valuations may be subject to monitoring by the RICS. The valuations are undertaken by currently Registered RICS Valuers.

Valuation Basis:

Our reports state the purpose of the valuation and, unless otherwise noted, the basis of valuation is as defined in "the RICS Red Book". The full definition of the basis, which we have adopted, is set out in our report and appended to these General Principles.

Assumptions and Special Assumptions:

Where we make an 'assumption' or 'special assumption' in arriving at our valuations, we define these terms in accordance with "the RICS Red Book" as follows:

Assumption: A supposition taken to be true.

Special Assumption: An assumption that either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date.

We will not take steps to verify any assumptions.

Disposal Costs Taxation and Other Liabilities:

No allowances are made for any expenses of realisation, or for taxation, which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages or other charges, which may be secured thereon. However, we take into account purchaser's costs in investment valuations in accordance with market conventions.

No allowance is made for the possible impact of potential legislation which is under consideration.

Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

Source of Information:

Where we have been provided with information by the client, or its agents, we assume that it is correct and complete and is up to date and can be relied upon. We assume that no information that has a material effect on our valuations has been withheld.

In respect of valuations for loan security purposes, commissioned by a lending institution, we may also rely on information provided to us by the Borrower or its advisors. In such cases, we have similarly assumed that all information is correct, complete, up-to-date and can be relied upon and that no pertinent information has been withheld.

Title and Tenancy Information:

We do not normally read leases or documents of title. We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we have been provided with documentation we recommend that reliance should not be placed on our interpretation without verification by your lawyers. We have assumed that all information provided by the client, or its agents, is correct, up to date and can be relied upon.

Tenants:

Although we reflect our general understanding of a tenant's status in our valuations i.e. the market's general perception of their creditworthiness, enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed, unless we are informed otherwise, that the tenants are capable of meeting their financial obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

Measurements/Floor Areas:

All measurement is carried out in accordance with either the International Property Measurement Standards (IPMS) or the Code of Measuring Practice (6th Edition) issued by the Royal Institution of Chartered Surveyors, except where we specifically state that we have relied on another source. The areas adopted are purely for the purpose of assisting us in forming an opinion of capital value. They should not be relied upon for other purposes nor used by other parties without our written authorisation.

Where floor areas have been provided to us, we have relied upon these and have assumed that they have been properly measured in accordance with the International Property Measurement Standards (IPMS) or the Code of Measuring Practice referred to above.

Site Areas:

Site areas are generally calculated using proprietary digital mapping software and are based on the site boundaries indicated to us either at the time of our inspection, or on plans supplied to us. No responsibility is accepted if the wrong boundaries are indicated to us

Estimated Rental Value:

Our assessment of rental values is formed purely for the purposes of assisting in the formation of an opinion of capital value and is generally on the basis of Market Rent, as defined in "the RICS Red Book". Where circumstances dictate that it is necessary to utilise a different rental value in our capital valuation, we will generally set out the reasons for this in our report. Such a figure does not necessarily represent the amount that might be agreed by negotiation, or determined by an Expert, Arbitrator or Court, at rent review or lease renewal or the figure that might be obtained if the property or unit were being let on the open market.

Town Planning, Acts of Parliament and Other Statutory Regulations:

Information on town planning is, wherever possible, obtained either verbally from local planning authority officers or publicly available electronic or other sources. It is obtained purely to assist us in forming an opinion of capital value and should not be relied upon for other purposes. If reliance is required we recommend that verification be obtained from lawyers that:

I. the position is correctly stated in our report;

II. the property is not adversely affected by any other decisions made, or conditions prescribed, by public authorities; and

III. that there are no outstanding statutory notices.

Our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory and EC regulations, including fire regulations, access and use by disabled persons, control and remedial measures for asbestos in the workplace, the Energy Performance of Buildings Directive and any applicable bye laws. All buildings are assumed to have Energy Performance Certificates.

Our valuation does not take into account any rights, obligations or liabilities, whether prospective or accrued, under the Defective Premises Act 1972, or the Health and Safety at Work etc. Act 1974.

Structural Surveys:

Unless expressly instructed, we do not carry out a structural survey, nor do we test the services and we, therefore, do not give any assurance that any property is free from defect. We seek to reflect in our valuations any readily apparent defects or items of disrepair, which we note during our inspection, or costs of repair which are brought to our attention. Otherwise, we assume that each building is structurally sound and that there are no structural, latent or other material defects. Unless stated otherwise in our reports we assume any tenants are fully responsible for the repair of their demise either directly or through a service charge.

Modern Methods of Construction (MMC):

If the subject property falls within the category of Modern Methods of Construction as defined by MHCLG (MMC), and we are not aware or made aware during the valuation process, we shall not be liable for any resulting loss or lending decision. We assume that any MMC properties have appropriate BOPAS accreditation or equivalent.

Deleterious Materials:

We do not normally carry out or commission investigations on site to ascertain whether any building was constructed or altered using deleterious materials or techniques (including, by way of example high alumina cement concrete, woodwool as permanent shuttering, calcium chloride or asbestos). Unless we are otherwise informed, our valuations are on the basis that no such materials or techniques have been used.

Site Conditions:

We do not normally carry out or commission investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be, put; nor do we undertake archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses, delays or restrictions will be incurred during the construction period due to these matters.

Environmental Contamination:

Unless expressly instructed, we do not carry out or commission site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, our valuations are carried out on the basis that properties are not affected by environmental contamination. However, should our site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated we will discuss our concerns with you.

Insurance:

Unless expressly advised to the contrary we assume that appropriate cover is and will continue to be available on commercially acceptable terms. In particular, we will have regard to the following:

Composite Panels

Insurance cover, for buildings incorporating certain types of composite panel may only be available subject to limitation, for additional premium, or unavailable. Information as to the type of panel used is not normally available. Accordingly, our opinions of value make no allowance for the risk that insurance cover for any property may not be available, or may only be available on onerous terms.

Terrorism

Our valuations have been made on the basis that the properties are insured against risks of loss or damage including damage caused by acts of Terrorism as defined by the Terrorism Act 2000. We have assumed that the insurer, with whom cover has been placed, is reinsured by the Government backed insurer, Pool Reinsurance Company Limited.

Flood and Rising Water Table

Our valuations have been made on the assumption that the properties are insured against damage by flood and rising water table. Unless stated to the contrary our opinions of value make no allowance for the risk that insurance cover for any property may not be available, or may only be available on onerous terms.

Outstanding Debts:

In the case of property where construction works are in hand, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, subcontractors or any members of the professional or design team.

Confidentiality and Third Party Liability:

Our Valuations and Reports are confidential to the party to whom they are addressed and for the specific purpose to which they refer, and no responsibility whatsoever is accepted to any third parties. Neither the whole, nor any part, nor reference thereto, may be published in any document, statement or circular, or in any communication with third parties, without our prior written approval of the form and context in which it will appear.

Statement of Valuation Approach:

We are required to make a statement of our valuation approach. The following provides a generic summary of our approach.

The majority of institutional portfolios comprise income producing properties. We usually value such properties adopting the investment approach where we apply a capitalisation rate, as a multiplier, against the current and, if any, reversionary income streams. Following market practice we construct our valuations adopting hardcore methodology where the reversions are generated from regular short term uplifts of market rent. We would normally apply a term and reversion approach where the next event is one which fundamentally changes the nature of the income or characteristics of the investment. Where there is an actual exposure or a risk thereto of irrecoverable costs, including those of achieving a letting, an allowance is reflected in the valuation.

Vacant buildings, in addition to the above methodology, may also be valued and analysed on a comparison method with other capital value transactions where applicable.

Where land is held for development we adopt the comparison method when there is good evidence, and/or the residual method, particularly on more complex and bespoke proposals.

There are situations in valuations for accounts where we include in our valuation properties which are owner-occupied. These are valued on the basis of existing use value, thereby assuming the premises are vacant and will be required for the continuance of the existing business. Such valuations ignore any higher value that might exist from an alternative use.

Capital Expenditure Requirement:

Where buildings are undergoing works, such as refurbishment or repairs, or where developments are in progress, we have relied upon cost information supplied to us by the client or their appointed specialist advisors.

Goodwill, Fixtures and Fittings:

Unless otherwise stated our valuation excludes any additional value attributable to goodwill, or to fixtures and fittings which are only of value, in situ, to the present occupier.

Plant and Machinery:

No allowance has been made for any plant, machinery or equipment unless it forms an integral part of the building and would normally be included in a sale of the building.

Services:

We do not normally carry out or commission investigations into the capacity or condition of services. Therefore we assume that the services, and any associated controls or software, are in working order and free from defect. We also assume that the services are of sufficient capacity to meet current and future needs.

Land and Building Apportionment:

When instructed, we will provide apportionments between land and buildings for depreciation purposes only. Such apportionments are not valuations and should not be used for any other purpose unless specified in the report.

Portfolio Valuations:

In respect of valuations of portfolios of properties, our overall valuation is an aggregate of the individual values of each individual property. The valuation assumes, therefore, that each property would be marketed as an individual property and not as part of a portfolio. Consequently no portfolio premium or discount has been reflected and any consequence of marketing a range of individual properties together has also not been reflected in our valuations. However, if adjoining or complementary properties might achieve a higher value by being marketed together (known as "prudent lotting"), we have reported the higher value that would emerge.

Rating:

Any information regarding rating has generally been obtained from the Valuation Office website. We will not investigate whether any rating assessment is a fair assessment or considered the likelihood of an appeal being successful.

Plans and Maps:

All plans and maps included in our report are strictly for identification purposes only, and, whilst believed to be correct, are not guaranteed and must not form part of any contract. All are published under licence and may include mapping data from Ordnance Survey © Crown Copyright. All rights are reserved.

Appendix 3

General Terms and Conditions of Business

General Terms and Conditions of Business

Introduction

When the Terms Apply

These Terms of Business (the "Terms") apply where Jones Lang LaSalle provides a service to a client and there is no written agreement for the provision of that service or if there is, to the extent that these Terms do not conflict with the terms of that written agreement. In the case of conflict between these Terms and the terms of any written agreement, the terms of the written agreement shall prevail to the extent of the conflict. Reference in these Terms to the agreement means the written or informal agreement that incorporates these Terms (the "Agreement").

Jones Lang LaSalle

Jones Lang LaSalle means Jones Lang LaSalles, s.r.o., with its seat at Prague 1, Na Příkopě 21, PSČ: 110 00, registered with the Companies Register kept by the Municipal Court in Prague, Section C, File No. 174409 or the other member of the Jones Lang LaSalle group of companies that provides services or the relevant part of the services.

Service Level

Services

Jones Lang LaSalle is to provide all services to the specification and performance level stated in writing or, if none is stated, to the specification and performance levels that it ordinarily provides in accordance with Jones Lang LaSalle's duty of care as set out below. Any variations must be agreed in writing.

What is not included

Jones Lang LaSalle has no responsibility for anything that is beyond the scope of the service so defined. In particular, it has no obligation to provide nor liability for:

- an opinion on price unless specifically instructed to carry out a formal valuation;
- advice, or failure to advise, on the condition of a property unless specifically instructed to carry out a formal survey;
- the security or management of property unless specifically instructed to arrange it;
- the safety of those visiting a property, unless that is specified in its instructions.

Valuations

Jones Lang LaSalle must comply with professional requirements for the rotation of valuers, and the implications of this are to be agreed in writing with those clients who require valuation services.

Liability and Duty of Care

Duty of Care to the Client

Jones Lang LaSalle owes to the client a duty to act with reasonable skill and care in providing services, complying with the client's instructions where those instructions do not conflict with (a) these Terms, (b) the Agreement or (c) applicable law and professional rules, Jones Lang LaSalle is not obliged to carry out any instructions of the client which conflict with the applicable law, regulations and professional rules.

Liability to the Client

Jones Lang LaSalle has no liability for the consequences including delay in or failure to provide the services, of any failure by the client or any agent of the client:

- promptly to provide information or other material that Jones Lang LaSalle reasonably requires, or where that information or material is inaccurate or incomplete. The client warrants that, where it provides information or material to Jones Lang LaSalle, Jones Lang LaSalle is entitled to rely on its accuracy.
- to follow Jones Lang LaSalle's advice or recommendations.

The liability of Jones Lang LaSalle to the client for its own negligence causing death or personal injury or for fraud is unlimited, but otherwise its liability is:

- limited to 2 (two) times the fixed fees amount agreed with Jones Lang LaSalle per occurrence or series of occurrences arising from one event,
- excluded to the extent that the client, or someone on the client's behalf for whom Jones Lang LaSalle is not responsible is responsible,
- is excluded if caused by circumstances beyond Jones Lang LaSalle's reasonable control;
- excludes loss of profit, revenue and anticipated savings;
- excludes indirect, special and consequential loss,
- not (so far as permitted by law) increased by any implied condition or warranty,
- in any case limited to a maximum of EUR 100 million in aggregate.

Jones Lang LaSalle shall not be liable for any hidden defects in any real property sold, bought or leased, unless Jones Lang LaSalle was aware of these defect and did not inform the client hereof.

Liability to Third Parties

Save where required by law, Jones Lang LaSalle owes no duty of care and has no liability to anyone but its client. Save where required by law, no third party has any rights unless there is a specific written agreement to the contrary.

Liability for Others

Jones Lang LaSalle has no liability for products or services that it reasonably needs to obtain from others in order to provide services.

Jones Lang LaSalle may delegate to a third party the provision of any part of services, but if it does so:

- without the client's approval, Jones Lang LaSalle is responsible for what that third party does;

- with the client's approval or at the client's request, Jones Lang LaSalle is not responsible for what that third party does.

Protection of Employees

Apart from fraud or criminal conduct, no employee of the Jones Lang LaSalle group of companies has any personal liability to the client, and neither the client nor anyone representing the client will make a claim or bring proceedings against an employee or former employee personally.

Complaints Resolution Procedure

The client agrees that it will not take any action or commence any proceedings against Jones Lang LaSalle before it has first referred its complaint to Jones Lang LaSalle in accordance with Jones Lang LaSalle's complaints procedure, details of which are available upon request.

Liability to Jones Lang LaSalle

The client agrees to indemnify Jones Lang LaSalle against all third party claims (including without limitation all third party actions, claims, proceedings, loss, damages, costs and expenses) that relates in any way to the provision of services, except a liability that a court of competent jurisdiction decides (or Jones Lang LaSalle agrees) was caused by the fraud, wilful default or negligence of Jones Lang LaSalle or of a delegate for whom Jones Lang LaSalle is responsible under the Agreement.

Delivering the Service

Timetable

Jones Lang LaSalle is to use reasonable endeavours to comply with the client's timetable, but is not responsible for not doing so unless specifically agreed in writing. Even then, Jones Lang LaSalle is not liable for delay that is beyond its control.

E-mail and On-line Services

Jones Lang LaSalle may use electronic communication and systems to provide services, making available to the client any software required that is not generally available.

Insurance

Jones Lang LaSalle maintains appropriate insurance policies, in particular professional indemnity insurance.
Upon request Jones Lang LaSalle may provide evidence of such insurance.

Conflict of Interest

If Jones Lang LaSalle becomes aware of a conflict of interest it is to advise the client promptly and recommend
an appropriate course of action.

Publicity

Neither Jones Lang LaSalle nor its client may publicise or issue any specific information to the media about services or its subject matter without the consent of the other.

Intellectual Property

All intellectual property rights in material supplied by the client belong to the client and in material prepared by Jones Lang LaSalle belong to Jones Lang LaSalle, unless otherwise agreed in writing. Each has a non-exclusive right to use the material provided for the purposes for which it is supplied or prepared. No third party has any right to use it without the specific consent of the owner.

Confidential Information

Each Party must keep confidential all confidential information and material of commercial value to the other Party of which it becomes aware but either Party may:

- use it to the extent reasonably required in providing services,
- disclose it if the other Party agrees,
- disclose it if required to do so by law, regulation or other competent authority.

This obligation continues for a period of two years after termination of the Agreement.

Jones Lang LaSalle will also comply with personal data protection regulations.

The effect of Termination on Client Material

On termination of the Agreement Jones Lang LaSalle may, to comply with legal, regulatory or professional requirements, keep one copy of all material it then has that was supplied by or on behalf of the client in relation to the service. The above does not apply to personal data. The client may request the return or destruction of all other client material (save for electronic back-ups).

Remuneration

Not specified

Where the fees and expenses payable for services are not specified in writing, Jones Lang LaSalle is entitled to:

- the fee specified by an applicable professional body or, if none is specified, to a fair and reasonable fee by reference to time spent, and
- reimbursement of expenses properly incurred on the client's behalf.

Part Performance

Where services are not performed in full, Jones Lang LaSalle is entitled to a reasonable fee proportionate to the services provided as estimated by Jones Lang LaSalle.

VAT

The client must pay VAT at the rate then current on the issue of a valid VAT invoice.

Interest on Overdue Amounts

If an invoice is not paid in full within 28, Jones Lang LaSalle may charge the applicable statutory interest rate.

Miscellaneous

Assignment

The client may assign the benefit of the Agreement, but must first obtain the written consent of Jones Lang LaSalle, which will not be unreasonably withheld.

Termination

The client or Jones Lang LaSalle may terminate the Agreement immediately by written notice to the other, if the other has not satisfactorily rectified a substantial or persistent breach of the Agreement within the reasonable period specified in an earlier notice to rectify it.

Effect of Termination on Claims

Termination of the Agreement does not affect any claims that arise before termination or the entitlement of Jones Lang LaSalle to its proper fees up to the date of termination or to be reimbursed its expenses.

Waiver and Severance

Failure to enforce any of these Terms is not a waiver of any right to subsequently enforce that or any other term of the Agreement.

The invalidity, illegality and unenforceability in whole or in part of any provisions of the Agreement shall not affect the validity, legality or enforceability of its remaining provisions which shall remain in full force and effect.

Notices

A notice is valid if in writing addressed to the last known address of the addressee and is to be treated as served:

- when delivered, if delivered by hand during normal business hours,
- when actually received, if posted by recorded delivery.

Governing Law and Jurisdiction

These General Terms and Conditions of Business and the terms of the instruction shall be governed and construed in accordance with the laws of the Netherlands. All disputes shall be finally settled by the Courts of Amsterdam.

Appendix 4

Market Value Definition

Market Value

1. Market Value

1.1 The definition of Market Value as defined in IVS 104 paragraph 30.1 is:

'the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

1.2 **Market value** is a basis of value that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible – fuller treatment of this particular premise of value can be found at section 140 of IVS 104.

1.3 It ignores any price distortions caused by special value (an amount that reflects particular attributes of an asset that are only of value to a special purchaser) or marriage value. It represents the price that would most likely be achievable for an asset across a wide range of circumstances. Market rent (see below) applies similar criteria for estimating a recurring payment rather than a capital sum.

1.4 In applying market value, regard must also be had to the requirement that the valuation amount reflects the actual market state and circumstances as of the effective valuation date. The full conceptual framework for market value can be found at paragraph 30.2 of IVS 104.

1.5 Notwithstanding the disregard of special value, where the price offered by prospective buyers generally in the market would reflect an expectation of a change in the circumstances of the asset in the future, the impact of that expectation is reflected in market value. Examples of where the expectation of additional value being created or obtained in the future may have an impact on the market value include:

- the prospect of development where there is no current permission for that development and
- the prospect of *marriage value* arising from merger with another property or asset, or interests within the same property or asset, at a future date.

1.6 The impact on value arising by use of an *assumption* or special *assumption* should not be confused with the additional value that might be attributed to an asset by a *special purchaser*.

1.7 In some jurisdictions a basis of value described as 'highest and best use' is adopted and this may either be defined by statute or established by common practice in individual countries or states.

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MARKET REPORT

Jones Lang LaSalle s.r.o.

Project Carrera Market Report

Prepared for CTP B.V.

15 February 2021

Contents

Contents

Disclaimer

DISCLAIMER

Jones Lang LaSalle s.r.o.

Forecasts and projections contained in the report must be read strictly in conjunction with the explanations, qualifications and assumptions set out in the text. Such forecasts and projections involve a significant element of subjective judgment and are designed to assist in considering possible outcomes. They are not intended to give any assurance that any particular result or outcome will occur. The assumptions on which forecasts and projections are based are considered reasonable at the time of issue of the Report, but no assurance is given that they are correct or exhaustive or that they will continue to be so in the future. All descriptions, data, and other details are believed to be correct, but no party should rely on them as statements or representations of fact. All information contained herein is from sources deemed reliable however, no representation or warranty is made as to the accuracy thereof. Jones Lang LaSalle s.r.o. does not accept any liability in negligence or otherwise for any loss or damage suffered by any party resulting from reliance on this publication other than as may be required by law. Neither the whole of this report nor any part or reference thereto may be published in any documents, statement or circular or in communication with any third parties without the prior written approval of Jones Lang LaSalle s.r.o. except as agreed in writing on or after the date of issue of this report.

1 Executive Summary

CTP operates in the Central and Eastern European ('CEE') industrial and logistics real estate markets which are characterized by relatively strong macroeconomic fundamentals, attractive industry indicators and favourable supply-demand dynamics. According to the latest JLL valuation, industrial and logistics schemes generate 91% of CTP's Gross Rental Income across the Czech Republic, Romania, Serbia and Slovakia. Additionally, CTP also develops and owns office complexes providing office accommodation in key regional cities of the Czech Republic, accounting for the remaining 9% of CTP's Gross Rental Income.

Representing the primary location of CTP (based on 63% of Gross Rental Income), the Czech Republic has the strongest country investment risk rating in the CEE region with a stable outlook (according to the main rating agencies, such as Fitch, Moody's and S&P), reflecting the country's fiscal strength with low public debt. Its economy is also deeply integrated into European value chains.

Other countries in which CTP operates include Hungary, Romania, Serbia and Slovakia which also maintain competitive macroeconomic characteristics, supporting the long-term economic convergence of these markets with Western European economies. Out of these markets, Serbia represents the least developed and transparent market, according to the JLL Global Real Estate Transparency Index 2020, yet with significant potential for development as an industrial and logistics market.

Competitive labour costs, combined with an educated, multi-lingual and tech-literate workforce, have made these markets an attractive offshoring destination for multinational companies as well the good location for research and development. In addition, the CEE markets are deeply connected with manufacturing and supply chains across Europe, Germany in particular, which constitutes a key driver of long-term demand for industrial space in the CEE region.

The overall positive macroeconomic backdrop of these markets underpins several structural drivers of long-term demand for industrial premises which are expected to accelerate as a result of the COVID-19 pandemic. These include:

- Rapid growth of e-commerce penetration driven by convenience and consumer safety considerations;
- Ongoing re-alignment of supply chains, resulting in the potential near-shoring of production and supply chains closer to end-markets, and increasing requirements for last-mile warehouses;
- Increase in stock levels to better absorb potential trade and other disruptions – 'just in case' to supplement 'just in time'.

On the supply side, a lack of modern industrial and logistics properties is evidenced by low vacancy levels reported in modern, A-class stock across the markets in which CTP operates. As of Q3 2020 the aggregated vacancy rate of these markets (including CZ, HU[1], RO, SK) stood at 4.9%.

1 Hungarian market data is based on the Greater Budapest region which is the dominant logistics location in the country, being monitored for stock and vacancy by Budapest Research Forum. For more information please refer to Section 7 - Hungarian Industrial Occupational Market.

From an investment market perspective, prime industrial yield compression has been registered across Western Europe and the whole of CEE. In the period between 2015 and Q3 2020 the average compression in the selected Western European markets (i.e. BE, ES, FR, DE, I, NL, the UK) stood at 174 bps whilst the average yield compression in the selected CEE markets (i.e. CZ, HU, RO, SK and SRB) reached 140 bps.

Despite robust investor demand, there continues to be an attractive spread in yields observed for logistics assets in CEE with those for comparable assets in Western Europe. The respective spread between the selected Western European and CEE markets stood at 298 bps as of Q3 2020.

The prevailing trend in the selected CEE countries has been the lack of available logistics product as significant part of the industrial market is owned by strategic players who rarely sell, which especially applies to the Czech Republic, Hungary and Romania where CTP owns 28%, 12% and 29% of the industrial stock respectively.

2 Industrial Real Estate Sector Overview

2.1 The role of industrial real estate and types of industrial assets (Industrial 101)

2.1.1 Supply chains

Industrial and logistics real estate plays a critical role as part of the physical infrastructure of supply chains, which enable raw materials, parts, sub-assemblies and finished goods to be transported from their points of origin and manufacture to end customers or points of final consumption.

Over the past 20 to 30 years, many supply chains have become international or global, and often goods are produced in different parts of the world and sold and consumed in other parts. As a result, supply chains can be highly complex and involve a variety of industrial facilities, where goods are produced, and warehouse and logistics facilities, where goods are stored and from which they are distributed. These industrial and logistics nodes are connected via a range of different transport infrastructure involving different modes of transport– road, sea, air, rail and inland waterways.

Reflecting developments in supply chains, companies often require significant industrial and/or logistics real estate in different locations. For example, a global Fast Moving Consumer Goods (‘FMCG’) supplier may have a network of manufacturing facilities and warehouses / logistics to facilitate the movement of materials and supplies into their factories and the storage and distribution of finished goods; and a global retailer typically requires a network of warehouse and logistics facilities to hold stock and distribute goods to their physical retail stores and / or direct to end consumers. In addition to manufacturers and retailers, other types of companies such as wholesalers, third party logistics companies and parcel companies are also large occupiers of warehouse/logistics space (if not industrial space).

Third party logistics service providers (‘3PLs’) are specialist logistics companies that run warehouse and transport operations or total supply chain solutions for end users. These include some of the largest occupiers of warehouse / logistics space globally, such as DHL, Kuehne & Nagel and XPO. In addition, factories and manufacturing operations may also be outsourced to contract manufacturing companies.

2.1.2 Types of industrial assets

The industrial and logistics real estate that is part of the physical infrastructure of supply chains can take various forms and perform different functions. We would distinguish between three main types of industrial assets, based on their principal use, namely:

- ‘Industrial’ assets used for manufacturing / production purposes.
- ‘Logistics’ assets used for storage and distribution purposes.
- ‘Light industrial’ assets used often for a combination of light manufacturing or assembly and storage and distribution.

Industrial assets used for manufacturing are often quite specialised buildings that reflect the manufacturing process being undertaken inside them and, where this is the case, they are often owner occupied. This is particularly the case with large-scale manufacturing facilities, such as major automotive assembly plants, or engine factories or aerospace plants, etc. As a result, this type of industrial asset is often outside the traditional investable universe from a real estate investment market perspective. However, other types of industrial assets used for manufacturing are leased and part of the investment market.

Logistics assets include a wide range of different types of warehouse and distribution buildings, which can be highly specialised or generic and owner occupied or leased. These assets can be classified in different ways. The real estate market often classifies these in relatively simple ways, including by the size of the building or the market geography that it services. For example, in the former case logistics assets may be referred to as 'XXL' buildings for very large buildings, or 'big box' logistics buildings, or mid-sized or small buildings; and in latter case a building might be referred to as a Pan-European distribution centre, a national distribution centre ('NDC'), a regional distribution centre ('RDC') or a local distribution centre.

In addition, logistics assets can be classified according to the role they perform, including: bulk storage warehouses; consolidation centres, where deliveries are consolidated for onward distribution; cross dock centres, where goods brought from elsewhere in the supply chain are transferred within a cross dock facility for onward distribution without being put into storage in that building, etc. The growth of e-commerce has highlighted a wide range of different logistics building types including fulfilment centres, where goods are stocked and picked; sortation centres, or parcel hubs, where goods are sorted by end customer destination; local parcel delivery centres for final distribution to customers, or other types of local depots; so-called 'dark stores' for picking online grocery orders; and return processing centres.

Finally, over the past few years labels such as 'last mile' logistics or 'urban' or 'city' logistics have been used to classify or describe different types of logistics assets. The former classification refers to a building which is the last link in the supply chain and from which the final delivery is made to the end customer. Urban or city logistics buildings are typically performing a 'last mile' function but as their label implies are located within, or on the edge of, built up urban areas or cities.

Light industrial assets are typically relatively small in size and are usually built to a generic market standard. These types of assets are mostly occupied by small and medium sized enterprises ('SMEs') which may use them for a variety of different purposes including final assembly, repair or servicing work, storage and distribution, etc. These assets may be owner occupied but are more widely leased, and they can be multi-occupied assets, such as a terrace of units or an industrial estate development, or stand-alone assets.

2.2 Key characteristics of the Global and European logistics market

2.2.1 Major logistics markets

Companies that operate industrial and warehouse / logistics facilities typically site these in locations that are optimal in terms of their supply chain, balancing total supply chain costs and customer service requirements.

Globally and within Europe, these considerations have resulted in the growth of key logistics markets (or clusters) around major transport hubs, at locations close to large manufacturing areas and at strategic locations that have access to a range of major population centres. [2]

- Transport hubs, which often act as 'gateways' into a market, include large container ports, or airports that handle large volumes of cargo, or inland and intermodal ports. These gateway locations often attract demand for very large logistics buildings which may provide bulk storage, prior to distribution further downstream the supply chain.
- Manufacturing areas attract demand for logistics real estate to facilitate the movement of supplies and parts into factories and for the storage of finished goods or their onward distribution. In some industries, such as automotive manufacture, the logistics facilities may be located very close to the factory to ensure just in time delivery to the assembly line.
- Locations that are well situated to access major population centres are often strategically located from a geographic perspective - being centrally located within a country or wider geography - to service multiple cities with good access to key transport infrastructure, especially roads. Such strategic locations have typically been chosen by retailers that need to distribute products to large store networks distributed across major cities and urban areas.

Finally, the rise of online retail and omnichannel retail - where the final delivery is usually to the end consumer as opposed to the retail store - has generated more demand for logistics real estate close to end consumers for efficient and often very quick (e.g. same day or 1-4 hour) delivery. As a result, there is now growing demand for 'last mile' (final mile) logistics facilities often within, or on the edge of, major cities and urban area.

Therefore, the major global and European logistics markets are predominantly locations that enable companies to access markets via gateway transport infrastructure; and/or have large concentrations of manufacturing industry that need to be supported; and/or are strategically located to service multiple cities; and/or have excellent access direct to final consumers in major cities and urban areas. [3]

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2 For a review of global logistics clusters see Prologis, The Evolution of Logistics Real Estate Clusters, August 2015.

3 For a similar way of classifying markets see Prologis, The Modern Supply Chain: A New Model for Defining Logistics Real Estate, September 2019. This report segments the market on the consumption side of the supply chain between 1) gateway logistics properties, 2) multi-market logistics properties, 3) city distribution logistics properties and 4) Last Touch logistics properties.

2.3 Key market characteristics

2.3.1 Market characteristics defined by key real estate market indicators

Markets can be defined in terms of their principal characteristics which include scale, demand, supply and price characteristics; and clearly within the real estate market we can distinguish between the occupational market and the investment market.

From an occupational market perspective, key characteristics include:

- **Overall scale.** How large is the market in terms of its built stock of logistics floorspace?
- **Demand.** What level of demand does the market attract, as measured for example by the take-up of logistics space for occupation?
- **Supply.** How much supply does the market offer, as measured for example by its vacancy rate? Is the market one that is relatively supply constrained or one where the potential for additional supply is larger?
- **Price.** What is the general tone of rent prevailing in the market for logistics real estate?

In Europe, for example:

- the largest markets in terms of their overall built stock of logistics space include Moscow, Paris, Madrid, Barcelona and Antwerp.
- the markets which have seen the highest level of recent demand as measured by floorspace taken-up in the year to the end of September 2020 include Moscow, Milan, Madrid, East Midlands in the UK, the Ruhr Area in Germany and Katowice/Upper Silesia.
- the markets that have the lowest vacancy rates include Antwerp, Prague and Marseille (all below 2% at September 2020).
- the markets that have the highest prime logistics rental levels include London, Birmingham, Munich, Amsterdam and Barcelona.

From an **investment market perspective**, scale, demand and supply are often captured more broadly by some sense of overall market liquidity and price is highlighted by the yields that investors pay for investment product.

Key market indicators for selected Western European and CEE cities, as at the end of September 2020

Warehousing							
Country	City	Prime Rent	*Rental Change*	Prime Yield	*Yield Change*	Vacancy	*Vacancy Change*
		EUR per sqm pa	*y-o-y*	(%)	*y-o-y (bp)*	(%)	*y-o-y (bp)*
Belgium	Antwerp	4.17	*4.2%*	4.90	*-35*	1.30	*-140*
Czech Republic	Prague	4.75	*0.0%*	5.50	*0*	1.60	*-190*
France	Paris	4.58	*2.8%*	4.00	*-20*	5.60	*-40*
France	Marseille	4.00	*0.0%*	4.50	*0*	1.80	*150*
Germany	Frankfurt/M	6.20	*0.0%*	3.50	*-30*	0.00	*0*
Germany	Berlin	5.50	*0.0%*	3.50	*-30*	0.00	*0*
Germany	Munich	7.10	*0.0%*	3.50	*-30*	0.00	*0*
Hungary	Budapest	4.75	*0.0%*	7.00	*-25*	2.30	*30*
Italy	Milan	4.67	*0.0%*	4.60	*-35*	2.00	*0*
Netherlands	Amsterdam	7.08	*0.0%*	3.75	*-25*	7.60	*160*
Poland	Katowice	3.60	*0.0%*	6.00	*-25*	10.40	*380*
Poland	Warsaw	3.80	*0.0%*	5.95	*-30*	8.40	*250*
Russian Federation	Moscow	3.80	*-21.3%*	10.25	*-25*	3.20	*-40*
Spain	Barcelona	6.80	*0.7%*	4.60	*-15*	2.60	*-60*
Spain	Madrid	5.50	*1.9%*	4.60	*-15*	9.60	*300*
United Kingdom	Birmingham	7.17	*-2.5%*	4.25	*0*	8.00	*-300*
United Kingdom	London	15.33	*-2.5%*	3.50	*0*	4.00	*0*
United Kingdom	Manchester	6.68	*-2.5%*	4.25	*0*	5.00	*-300*

Source: JLL Research, Q3 2020

Country market characteristics defined by logistics performance

In addition, markets can be characterised in terms of their overall attractiveness to businesses. For example, the World Bank's International Logistics Performance Index scores and ranks countries based on a large-scale survey of logistics operators based on six component indicators:[4]

- The efficiency of customs and border management clearance.
- The quality of trade and transport-related infrastructure.
- The ease of arranging competitively priced international shipments.
- The competence and quality of logistics services.
- The ability to track and trace consignments.
- The frequency with which shipments reach consignees within the scheduled or expected delivery time.

4 World Bank, Logistics Performance Index and its Indicators. Connecting to Compete, 2018

It is, therefore, a good indicator of the quality of a country's logistics infrastructure, including its logistics property and the quality of logistics services. The table below shows the global ranking of selective countries in terms of their aggregated ranking over the four most recent surveys 2012, 2014, 2016 and 2018 and for 2018 alone.

World Bank: International Logistics Performance Index. Global Ranking of Countries

Country	2018 ranking	Aggregate ranking over 2012-2018
Germany	1	1
Sweden	2	3
Belgium	3	4
Netherlands	6	2
UK	9	6
France	16	15
Spain	17	18
Italy	19	21
Czech Republic	**22**	**26**
Portugal	23	28
Poland	28	31
Ireland	29	25
Hungary	**31**	**32**
Israel	37	33
Croatia	49	48
Romania	**48**	**50**
Bulgaria	52	57
Slovakia	**53**	**47**
Serbia	**65**	**68**
Ukraine	66	69
Latvia	70	55
Bosnia and Herzegovina	72	78
Russian Federation	75	85

Source: World Bank, Logistics Performance Index. Countries ranked out of 167 global total.

Market characteristics defined by attractiveness to occupiers/logistics operators
Major, sub-national, logistics markets can also be characterised in a similar way to how the World Bank has characterised countries, by assessing their overall attractiveness to logistics real estate occupiers and operators. These assessments typically assess a market's attractiveness based on range of real estate and non-real estate attributes, including the market's connectivity to strategic transport infrastructure, the availability, quality and cost of labour, the market's proximity to customers (measured by population or industry), etc.

This type of market assessment depends on the characteristics chosen for assessment and how they are weighted relative to one another. As an example, a study has been published that assessed European logistics markets on five key characteristics: proximity to major consumption centres; regulatory environment; labour availability; transportation infrastructure; and total costs/value proposition.[5]

Market characteristics defined by attractiveness to logistics real estate investors
Markets can also be assessed according to their attractiveness to potential investors. These types of assessments are typically based on bespoke studies, focusing on the specific requirements of an investor. In these types of analysis, markets might be characterised by their potential to deliver superior investment returns including through yield compression or rental growth.

2.3.2 JLL Global Real Estate Transparency Index

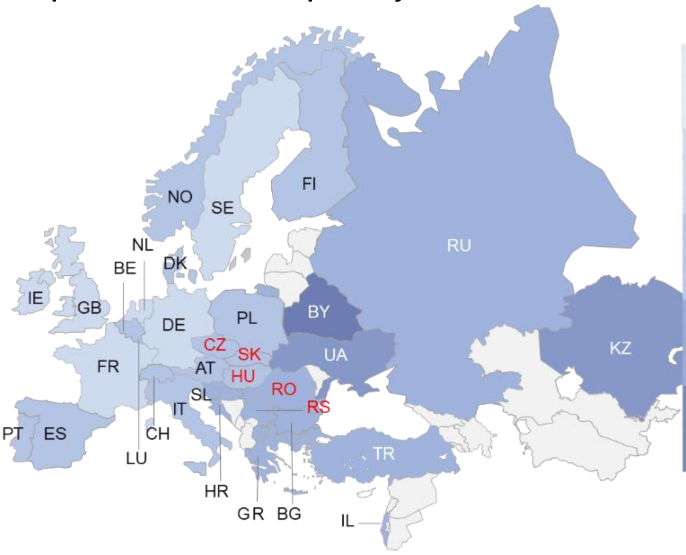
According to the 11th edition of the JLL Global Real Estate Transparency Index, published in 2020, based on a combination of quantitative market data and information gathered through a survey of the global business network of JLL and LaSalle Investment Management across 99 countries and 163 city markets, the CEE countries including the Czech Republic, Hungary, Poland and Slovakia have transparent real estate markets which are closing the gap with Western Europe. Moreover, Romania and Serbia have made overall improvements in recent years and currently are ranked as semi-transparent with Romania approaching 'Transparent' tier.

The index is based on a review of the following categories:

- Performance Measurement
- Market Fundamentals
- Governance of Listed Vehicles
- Regulatory and Legal
- Transaction Process
- Sustainability

5 Prologis, Europe's Most Desirable Logistics Locations, October 2017.

Europe Real Estate Transparency Index 2020



Highly Transparent	United Kingdom, France, Netherlands, Ireland, Sweden, Germany
Transparent	Switzerland, Finland, Belgium, Italy, Denmark, Spain, Poland, Austria, Norway, Czech Republic, Portugal, Hungary, Slovakia, Luxembourg
Semi-Transparent	Romania, Israel, Russia, Greece, Bulgaria, Turkey, Croatia, Slovenia, Serbia
Low Transparency	Ukraine, Kazakhstan
Opaque	Belarus

Source: JLL, 2020

2.3.3 Logistics sector’s global update

2.3.3.1 Demand-side

Global logistics markets remain resilient despite the coronavirus pandemic with robust levels of demand driven significantly by e-commerce. Occupier demand for logistics space bounced back very strongly during Q3 2020, hitting record or near-record levels in several major global markets and making up for lost ground from earlier in the year.

Europe (according to JLL’s definition of major European markets incl. Belgium, the Czech Republic, France, Germany, Hungary, Italy, Netherlands, Poland, Russia, Spain and the UK) saw the highest quarterly leasing volume ever recorded in Q3 and overall take-up in the first nine months of the year was up 5% on the same period of 2019. The UK had an exceptional quarter, with take-up more than doubling to hit an all-time quarterly high of 1.15 million square meters in Q3. Some 40% of the floorspace transacted in the UK in the quarter was directly attributable to online retail, which drives demand for a range of different types of logistics facilities including large fulfilment centres and smaller last-mile facilities.

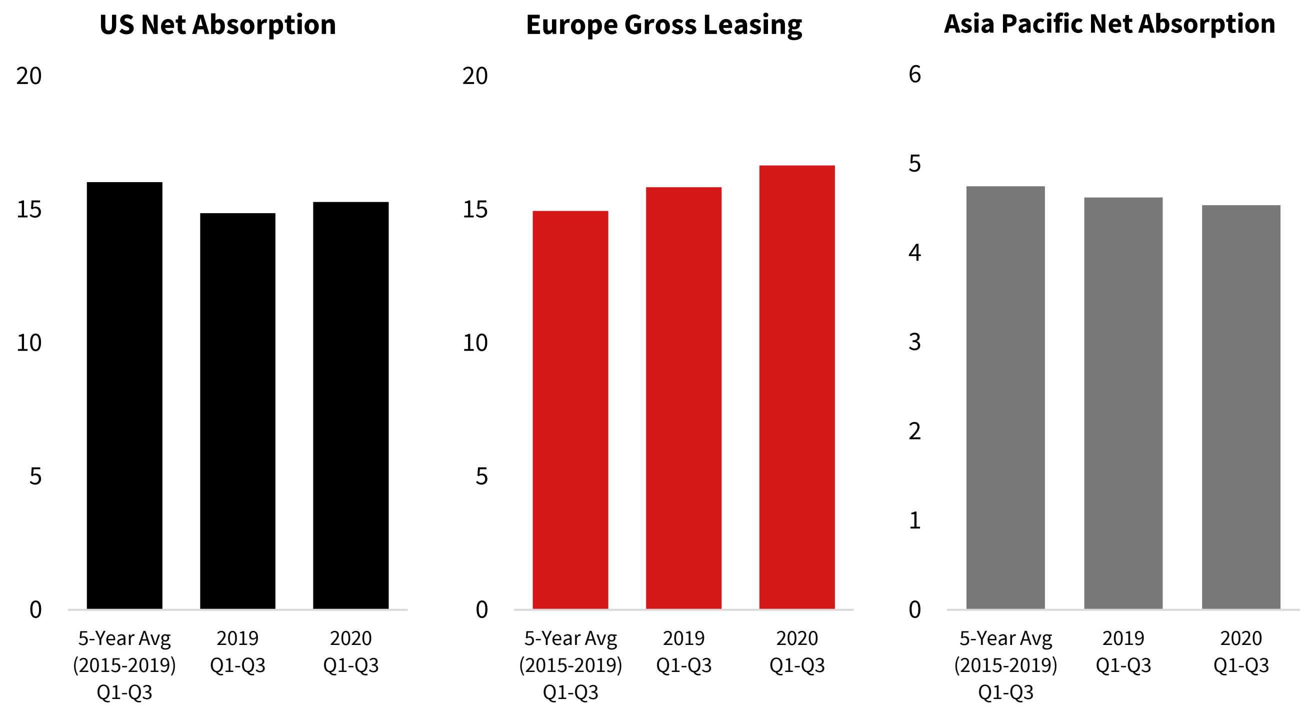
In the U.S., e-commerce accounted for 17% of total leasing in the third quarter. Seeking space to meet last-mile distribution needs, leasing from e-commerce-focused users totalled over 6.6 million square meters in the first nine months of 2020(4.2 million square meters more than the same period in 2019). As consumers continue to favour online shopping, e-commerce will likely continue to be a major demand driver in 2021.

The pandemic has also sparked a wave of home improvement and residential construction projects in the U.S., thereby increasing demand from the Construction Materials & Building Fixtures industry, which accounted for

920,000 square meters of leasing volume in Q3 (240% higher than in Q2). This demand is likely to increase with ongoing work-from-home arrangements.

While broader economic headwinds remain, demand for logistics space has held up well across Asia Pacific. Net absorption in Q3 was up 28% year-on-year to 2.36 million square meters, helping to compensate for the low volumes witnessed in Q1 when strict lockdown measures were imposed across the region. As such, net absorption in the first nine months was down only 2% on 2019. E-commerce and 3PL players continue to be the main sources of occupier demand across Asia Pacific. Looking ahead, new sources of demand are likely to come from cold storage firms and food operators.

Regional Logistics Demand / Space Absorption(in mill sqm)



Source: JLL, October 2020

U.S.: net absorption, based on 55 city markets; Europe: gross leasing (take-up), based on 11 national markets;

Asia Pacific: based on 26 city markets with staggered starting point for some markets, GFA

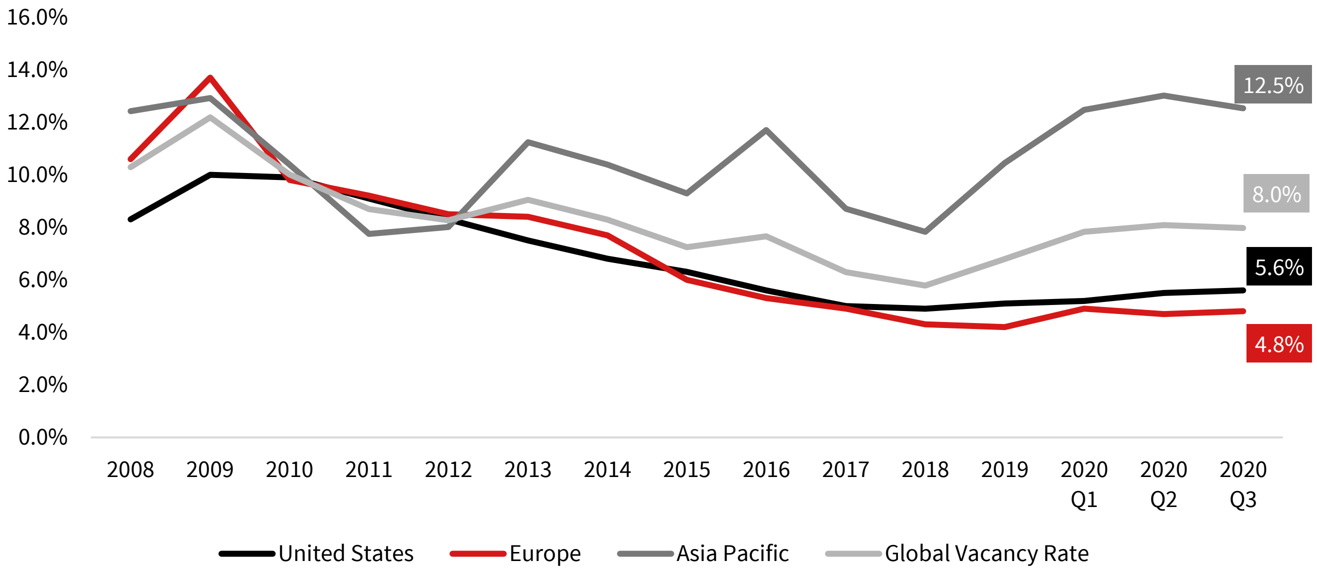
Some AP markets do not publish data quarterly.

2.3.3.2 Supply-side

The global logistics vacancy rate remained relatively stable at around 8% over the first nine months of 2020 and supply remained tight in a number of markets.

The global logistics vacancy rose from a cyclical low of around 6% in 2018 to around 8.0% in 2020 with a relatively sharp uplift in Asia Pacific but more modest increases in the US and Europe. The global vacancy rate was broadly stable over the first nine months of 2020 as robust demand was able to absorb, or mostly absorb, new space developed for the market. At the end of September 2020, Europe had the lowest regional vacancy rate at an estimated 4.8%, compared with 5.6% in the US and 12.5% in Asia Pacific.

Global Logistics Vacancy Development



Source: JLL, Q3 2020

U.S. based on 55 city markets; Europe based on 10 national markets (i.e. JLL's core 11 national markets excluding Belgium); Asia Pacific based on 26 city markets (staggered starting point for some markets, with coverage for some Tier 2 China markets beginning after 2008, excludes Sydney and Melbourne as no stock data available;

Global: weighted average according to region's (US/Europe/Asia Pacific) share of total GDP.

In the US, while the industrial pipeline is scheduled to deliver 9.9 million square meters of new supply by the end of the year, many projects are anticipated to be pushed out as a result of the pandemic. The amount of speculative product under construction remained steady at 68% of all floorspace under development.

In Asia Pacific, many projects have also resumed after construction was halted during lockdown. However, supply in Q3 was broadly muted across markets, with limited completions in Beijing, Singapore and Sydney, and no projects delivered in Hong Kong. Supply did expand in some markets such as Melbourne, Shanghai and Tokyo, which all saw multiple completions. The vacancy picture is also mixed across the region. Based on Q3 2020 data, vacancy stayed broadly stable in some markets (e.g. Beijing, Shanghai), increased in some (Hong Kong) and fell in others (Tokyo, Singapore) in others. The aggregate vacancy rate across the region declined 50 bps between mid-2020 and the end of September 2020 to 12.5%; however, it remained elevated compared to a year ago when the vacancy rate stood at 9.2%.

In Europe, the aggregate vacancy rate remained sub-5%, after nudging up 10 bps to 4.8% in Q3 2020. The growth in e-commerce and resultant need for last-mile logistics is one reason for tight vacancy in major metro markets such as Milan (2%), London (4%) and Paris (5.6%).

2.3.3.3 Rental level development

Rents for quality space have, in general, held up well across the globe on the back of tight availability and strong e-commerce-related demand.

In the U.S., while many institutional landlords are holding rents firm, in some market concessions have been increasing in the form of broker incentives and more free rent to entice tenants. Tight availability, however, contributed to Q3 2020 rents increasing by 0.2% quarter-on-quarter.

Given strong demand and relatively modest vacancy levels in major markets, prime headline rents were unchanged in most key European logistics centres over Q3. In general, rental growth across Europe slowed in 2020 but remained positive, with European aggregate rents in Q3 up 0.4% from the previous quarter.

Rental growth remains limited in Asia Pacific, despite positive demand-side drivers. Many landlords are focusing on maintaining occupancy levels rather than taking the risk of increasing rents and have adopted a cautious approach when negotiating rents with occupiers. Overall, rents edged down slightly (-0.1%) over Q3 2020.

2.3.3.4 Longer-term perspective: positive outlook for the logistics sector

The logistics sector continues to present strong fundamentals and is expected to be resilient moving forward. The growth of e-commerce, the ongoing realignment of supply chains and the continued requirement of companies to upgrade from older properties to more efficient buildings is likely to support robust demand over the longer term. In addition, the growing importance of sustainability and the need to build more resilient supply chains to be better protected against supply chain disruptions could also encourage companies to upgrade their facilities to buildings that are more energy efficient or which produce lower levels of carbon over their whole life.[6] As various industry studies suggest, demand for cold storage facilities may also increase over the longer term, driven by growing grocery sales, including online, and pharmaceutical requirements linked to ageing populations. In some cities, where the supply of logistics space is in short supply, we are beginning to see the conversion of some types of retail space, such as retail warehouse space, into logistics facilities for last-mile services, although this has been relatively modest to date.[7]

The need to decarbonize logistics from both a transport and buildings perspective is now becoming more widely recognized among corporate occupiers, investors and developers, and policymakers, which is leading to the wider adoption of more sustainable practices from a broad ESG (environmental, social and governance) perspective. Logistics building design is also becoming more ‘humancentric’. Features that many leading developers are now considering include improved indoor air quality, more windows to enhance natural light and higher quality external areas that include walking or running trails, plus better transport to work for staff.

6 For example, more than 1,000 companies worldwide are leading the zero-carbon transition by setting emissions reduction targets through the Science Based Targets initiative (SBTi) See: https://sciencebasedtargets.org/companies-taking-action

7 For a perspective on this potential in the US, see Prologis, Logistics Real Estate – Sizing the Retail Conversion Opportunity, September 2020

2.3.4 Ease of doing business in CEE markets

The CEE markets in which CTP operates are generally characterised by stringent planning and building regulations with complex and long administrative processes to deliver planning and construction permits. This feature constitutes a strong barrier to entry for inexperienced property developers and favours established players with intimate knowledge of local planning processes, strong relationships with public authorities and a track-record of successful development.

Despite being ranked amongst the most attractive markets for 'Ease of Doing Business' by the World Bank, the Czech Republic and Romania ranked 157th and 147th respectively out of a total of 190 in the sub-index on 'Ease of Gaining Construction Permits', well behind the UK, Germany, and the Netherlands for example.

Table: Doing Business Ranking, The World Bank (May, 2019)

Country	Ease of Doing Business	Dealing with Construction Permits	% of CTP Portfolio GLA
Hong Kong	3	1	-
Malaysia	12	2	-
United Arab Emirates	16	3	-
Denmark	4	4	-
Singapore	2	5	-
New Zealand	1	7	-
Serbia	44	9	2%
South Korea	5	12	-
United Kingdom	9	23	-
Germany	22	30	-
Sweden	10	31	-
Poland	40	39	1%
Belgium	46	45	-
France	32	52	-
Spain	30	79	-
Netherlands	42	88	-
Italy	58	97	-
Hungary	52	108	9%

Slovakia	45	146	7%
Romania	55	147	26%
Czech Republic	41	157	55%
Kosovo	57	160	
Albania	82	166	
Brazil	124	170	
Bosnia and Herzegovina	90	173	

Source: The World Bank, May 2019

2.4 Key trends affecting supply and demand in the logistics market

In the short and medium-term (next one to five years) the supply of industrial and logistics real estate in occupational markets will be largely driven by macro-economic and business conditions and trends across real estate markets themselves.

For example, the current coronavirus pandemic led to a severe global economic recession in 2020, and whilst forecasts suggest a recovery in global economic activity from 2021, considerable uncertainty remains as to the extent of this. If economic conditions remain supressed this could lessen industrial and logistics property demand in aggregate as growth tends to be one factor influencing occupational demand. Similarly, in the event of a weak growth outlook, some companies may require less space than formerly and release surplus, or under-utilised, space to the market, while other companies may collapse altogether with the result that their real estate becomes vacant. Therefore, in the short to medium-term economic and business conditions are important determinants of both demand and supply in occupational markets and influence developer and investor sentiment in terms of their assessment of the commercial viability of developing new space for the market.

However, while macro-economic and business conditions are important drivers of demand, as noted above, structural changes, such as the growth of e-commerce, have also been significant. Indeed, in the longer term, a number of mega-trends are likely to affect supply and demand in the industrial and logistics real estate sectors.

Prior to Covid-19, the global ‘mega trends’ that were widely believed to drive changes in all geographies and industries included demographic changes, urbanisation, rapid technological change and sustainability. Covid-19 will not change these trends and in fact could accelerate some as the pandemic has highlighted several crucial pain-points.

2.4.1 Demographic trends

Within a European context demographic change translates as slow population growth and ageing populations. These twin changes will mean that labour supply will continue as an important location consideration influencing the success of industrial and logistics locations, even as unemployment rises in the short-term (due to economic weakness) and automation and robots rise in the long-term, as is expected (see below).

2.4.2 Urbanisation

Urbanisation means rising city and urban populations and this will increase logistics demand in and around cities and may encourage wider intensification in the form of multi-level buildings with cargo lifts or multi-storey ramped warehouses in selective major cities where there is limited industrial/logistics land to meet demand. To date these types of multi-level or multi-storey buildings have only really been seen in Asia Pacific but over the past few years the US has also started to see them in limited number (e.g. in Seattle, San Francisco and around New York) as has Europe (e.g. in Paris, Barcelona and Munich). Rental levels in certain urban cores could also see relatively strong growth due to demand and supply imbalances.

2.4.3 Technology

Technology changes that directly impact logistics property include rising e-commerce, and rising levels of automation and robots in industrial operations and warehousing (and in transport) plus more potential for 'smart' warehouses incorporating Internet of Things technologies.

In addition, technology platforms that connect demand and supply have the potential to open-up new models of warehouse occupation, including on-demand warehouses (Warehouse as a Service). Logistics buildings in large clusters will need access to power and internet connectivity as well as transport infrastructure and people.

2.4.3.1 E-commerce

E-commerce and the growth of online and omnichannel retail has been a significant driver of change across the retail sector and a major driver of logistics property demand.

Across Europe the share of total retail sales accounted for by online purchases more than doubled from around 4.8% in 2012 to 10.1% in 2019, according to the Centre for Retail Research ('CRR'), a UK-based consultancy. All countries posted significant increases in the share accounted for by online, although from varying base levels.

In 2019 the UK stood out as the most mature online retail market in Europe as measured by the share of total retail sales accounted for by online purchases. In 2019 online sales were estimated to have reached 19.7% of all sales, ahead of Germany (15.9%) and France (10.9%).

Forecasts from the CRR indicate a sharp increase in online sales in 2020, which is likely to reflect the growth seen during national COVID-19 'lockdowns', which have seen all but essential shops forced to shut, and which spurred a surge in online activity, including for groceries. The latter is significant because in many countries, grocery spending makes up a significant proportion of all retail spending and yet historically, and still, online grocery spending has lagged that for other categories (such as clothing). In this respect, COVID-19 is generally considered to have accelerated the growth of online, especially in grocery, by concentrating perhaps three years of growth into nine months.

As the table below shows, according to CRR, 2020 is anticipated to represent the short-term peak in online sales penetration, with the share accounted for by online predicted to fall back in 2021 in all six countries for which forecasts are available. This is likely to reflect an expected return to more normal shopping conditions, with a re-opening of physical stores (subject of course to any further lockdowns).

Online retail sales as a percentage of total retail sales

Country	2012	2019	2020 forecast	2021 forecast
UK	10.6	19.7	26.2	24.3
Germany	5.9	15.9	19.9	18.7
France	5.4	10.9	14.3	13.8
Sweden	6.0	10.3	-/-	-/-
Europe average	**4.8**	**10.1**	-/-	-/-
Netherlands	5.7	9.9	13.1	12.5
Switzerland	4.4	9.2	-/-	-/-
Austria	4.3	9.5	-/-	-/-
Belgium	4.0	8.7	-/-	-/-
Spain	2.0	5.4	9.9	9.3
Poland	2.0	7.2	-/-	-/-
Italy	1.5	3.7	6.0	5.8

Source: Central for Retail Research. -/- forecasts are not available

However, beyond 2021 the consensus is that online retail will resume its growth. For example, European forecasts by Statista (November 2020) show total European retail e-commerce revenues growing by a compound annual growth rate ('CAGR') of 6.0% over the five years 2021-2025 inclusive.

Retail e-commerce forecasts for Europe

Market segment	Estimated revenue 2020 (mil. EUR)	% share of revenue 2020	CAGR 2021-2025
Fashion	115,529	30.7	6.2%
Electronics and Media	84,594	22.5	5.2%
Toys, Hobby and DIY	71,182	18.9	5.1%
Furniture and Appliances	54,353	14.4	7.2%
Food & personal care	50,892	13.5	7.0%
Total	**376,550**	**100.0**	**6.0%**

Source: Statista Forecasts adjusted for expected impact of COVID-19, November 2020

2.4.3.2 Robotics

Robots are already quite common in many types of manufacturing operation and globally the installation of industrial robots increased by a compound annual growth rate (CAGR) of 11% from 2014 to 2019, according to the International Federation of Robotics (IFR). The automotive industry and electrical / electronics industry (including computers and equipment, radio, TV and communication devices, medical equipment, precision and optical instruments) are the two main industrial sectors in terms of their use of robots, while geographically the deployment of industrial robots is greatest in China, Japan, the US, South Korea and Germany. Although the global installation of industrial robots fell 12% in 2019 due to a slowdown in global growth and the impact of trade wars, and sales are likely to fall again in 2020, due to COVID-19, the IFR argues that in the medium term, 'this crisis will be a digitalization booster that will create growth opportunities for the robotics industry worldwide. The long-run perspectives remain excellent.'[8]

The use of robots in logistics buildings is expected to increase due to the improvement in productivity and lower costs that their use can bring. In addition, the predictable and routine nature of many tasks in warehouses make them relatively more susceptible to automation/ robots.[9] Robots are also expected to become more common in logistics transport operations, via autonomous lorries, autonomous delivery vehicles and drones, although to date the use of robots in transport operations has lagged their use in logistics buildings.[10]

2.4.3.3 Smart warehouses and on-demand warehouses

'Smart' warehouses that incorporate sensors and Internet of Things technologies are starting to emerge and are expected to result in improvements in space and equipment utilisation and in safety for warehouse workers. In addition, technology platforms that connect demand and supply have the potential to open-up new models of warehouse occupation, including on-demand warehouses ('Warehouse as a Service').

2.4.4 Sustainability

As sustainability rises up the agenda of governments, corporates and investors the imperative of decarbonizing logistics is increasing being recognised. For buildings, this means that sustainability considerations will become a critical determinant of value and new and existing buildings that do not meet sustainability requirements will have much lower attractiveness in the occupational and investment markets.

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8 International Federation of Robotics, Executive Summary World Robotics 2020 Industrial Robots

9 See for example, PWC 'Will robots steal our jobs? The potential impact of automation on the UK and other major economies', UK Economic Outlook, March 2017

10 See for example, DHL The Logistics Trends Radar, fifth edition (2020). This includes the Internet of Things and Robots and Automation as high impact technology trends that are relevant in less than 5 years, whereas self-driving vehicles and unmanned aerial vehicles are considered relevant in the longer term (5 to 10 years), see page 17.

Sites with multi-modal transport options including rail and water may become more attractive to some companies seeking to decarbonise their transport operators.

Therefore, overall, these mega trends are likely to drive some changes in demand and supply in logistics markets. In terms of building design, some logistics buildings could become higher, as certain companies seek taller buildings to install mezzanine floors or high automated storage and retrieval systems. In additiion, a limited number of Europe's biggest cities may see some more (but a relatively limited number of) multi-storey ramped warehouses or multi-level (cargo lift) buildings.

From a location perspective, radical changes in the geography of major logistics locations are not widely expected, as main logistics clusters are generally linked to major infrastructure and economic and demographic fundamentals which change relatively slowly. However, the rise of automation and robots will likely increase requirements for power and internet connectivity will also become more important. In addition, occupational demand in terms of location will potentially become more diversified due to a trend whereby companies locate more warehouses closer to end consumers; if this occurs this will result in a further rise in urban logistics.

2.5 The impact of COVID-19

It is too early to assess the impact of COVID-19 on logistics property demand, but three major potential impacts are usually highlighted, namely:

- the impact on e-commerce, which has seen accelerated growth during the pandemic.
- the impact on levels of inventory in supply chains, which are often thought likely to increase to improve the resilience of supply chains and mitigate against future potential shocks.
- the impact on the sourcing of manufactured goods, with one possible reaction being an increase in re-shoring or near-shoring to mitigate the risks associated with longer supply chains and / or a dependence on single-sourcing, e.g. from China.[11]

The **acceleration in e-commerce** that occurred in 2020 was in large part because of national or sub-national lockdowns and the widespread restrictions placed on phyisical retail stores, with those being classified as non-essential forced to shut for extended periods in most countries. Whilst online spending may moderate in 2021 (and even slip back as a proportion of total retail sales, according to some forecasts), longer term e-commerce growth is still expected to be strong, as noted above.

The **level of inventory** in supply chains might be expected to be one factor behind future warehouse demand, as one function of warehouses is to hold inventory. Over many years, companies have sought to reduce the amount of inventory in their supply chains to lower costs, and they are likely to have been able to do this to some extent by better forecasting of demand and by making their supply chains more efficient so that they can be more responsive to demand. However, the COVID-19 pandemic has highlighted the risks associated with not having sufficient inventory of critical items (such as health care items like person protective equipment) or of other supplies, such as parts or components used in manufacturing industry, or FMCGs sold

11 Prologis Research Special Report, COVID-19 and Implications for Logistics Real Estate, March 2020.

by retailers. Against this background, there are expectations that companies will seek to hold more inventory, which could increase demand for some types of warehouse space.

Re-shoring or **near shoring** would also represent a logical response to the risks associated with elongated supply chains. However, whilst there has been significant growth of re-shoring in the US (in part fuelled by shale gas and much lower energy prices), reshoring in Europe has to date been comparatively modest.12 This could change in the future, but the making and implementation of these types of decisions typically takes time and, therefore, whether re-shoring or near shoring does increase as a reaction to COVID-19 will not be known for some years to come. If it does take place in Europe this could boost industrial and associated logistics demand in selective locations, including central and eastern Europe, which in a European context still includes relatively low costs locations. However, an increase in re-shoring or near shoring might also lead to lower trade with Asia Pacific and, therefore, potentially less activity at major European gateway container ports and potentially less demand for logistics facilities at these gateways.

2.6 Conclusion: resilient industrial and logistics real estate

Against this background, resilient logistics buildings will combine a range of key attributes including a secure income stream; tenants in robust business sectors (e.g. food / internet); modern well-specified, sustainable buildings with access to good infrastructure and a choice of modes (road, rail and water); buildings in locations that are characterised by limited supply and strong competition for land and which have good access to labour, power and connectivity; buildings that are well-positioned to service customers including for last mile urban logistics.

12 See the Reshoring Initiative for US statistics. For Europe, see Eurofound, Future of manufacturing in Europe. Reshoring in Europe. Overview 2015-2018

3 Economic Overview

3.1 Global economic background

The global economy experienced a sharp decline in real GDP during the second quarter of 2020, producing the first global recession in the 11 years since the Global Financial Crisis. Quarter-over-quarter, real GDP dropped by roughly 7% in Q2, according to Oxford Economics. Because of the near-universal nature of the pandemic, many countries endured large contractions in economic activity. Whilst global growth resumed in Q3, the persistence of the pandemic into Q4 and 2021 has once again elevated economic risks.

The trajectory of global economic activity remains beset with uncertainty, and near-term forecasts by Oxford Economics have been downgraded. The global economy is facing two key risks. First, the pandemic continues to follow an upward trajectory. In several countries the number of cases is trending sharply higher again and sever restrictions are being reimposed. Second, fiscal support is ending in several key countries, and in some the appetite for further support seems diminished. These measures have supported households and businesses and have helped to bolster consumer spending and minimize job cuts. Meanwhile, the rate of recovery has clearly slowed in recent months and economic growth will likely decelerate in the coming quarters. The pace of deceleration will depend upon how these uncertainties unfold.

3.1.1 Loose monetary policy still supportive

Central banks around the globe continue to maintain generally loose monetary policy stances to support their economies and keep financial markets operating smoothly. Central bank policy rates remain low by historical standards, with several at or near record-low levels. Asset purchase programs have generally proceeded apace and will likely continue for the foreseeable future. Although money supply has grown accordingly, central banks around the world seem relatively unconcerned about the potential for accelerating inflation.

3.1.2 Fiscal policy remaining necessary

With global economic growth poised to slow in the coming quarters, fiscal policy support will continue to be vital. The pandemic has impaired the economy’s ability to self-correct because the usual stabilizing mechanisms have not worked. In a typical downturn, the price level in the economy declines due to reduced demand which encourages businesses and households to spend. However, with many households unable (because of social restrictions) or unwilling (because of health concerns) to consume certain goods and services, then neither consumption nor investment can fully recover until the pandemic subsides. Until then, government spending will remain critical to plugging the hole left by the private sector.

3.1.3 Outlook

The sharp rebound in growth experienced in many countries in Q3 2020 is expected to diminish or even reverse in some countries as the impact of new restrictions combined with the ongoing unwinding of fiscal stimulus, and caution among households, is likely to lead to a weaker recovery period. In the near term, most economies will require continued fiscal and monetary policy to help support the economy, while the trajectory of the pandemic along with medical advances will dictate the cycle going forward.

3.2 European economic overview

In Europe, the economic trajectory broadly mirrors the path of the pandemic: suppression of the outbreak and an easing of lockdowns resulted in a strong snapback in growth in Q3, but the emergence and intensification of a second wave of the pandemic looks likely to drive the region into another contraction in Q4. The manufacturing rebound has led that of the services sector, where continued social distancing restrictions – even before the recent announcement of renewed lockdowns – weighed on activity and consumer behavior. The extension of government support packages, in particular furlough schemes, are seen by many as crucial to minimizing post-pandemic economic scarring such as unemployment and business insolvency.

Western Europe vs CEE markets

The CEE markets in which CTP operates have historically reported favourable macroeconomic trends – particularly in terms of rates of growth - compared to those of Western European economies, such as Germany, France, UK, Spain, Belgium, Netherlands and Italy. The Czech Republic, Hungary, Romania, Serbia and Slovakia have achieved higher economic growth whilst maintaining significantly lower public debt to GDP ratios. From 2015 – 2019, these countries had GDP growth of 3.8% on average, while the Western European economies recorded an average growth of 1.8% over the same period, according to figures from Oxford Economics.

In addition to higher growth trajectories, lower total debt-to-GDP ratios underpin the stable investment graded ratings of the main CEE countries. According to Oxford Economics, in 2020 the countries in which CTP operates anticipate maintaining 57% debt-to-GDP on average whiles Western European countries anticipate exhibiting over 120%. In particular, the Czech public debt burden stood at 29% of GDP at the end of 2019 and is among the lowest in Europe. According to Oxford Economics, the Czech Republic anticipates maintaining a low debt-to-GDP ratio of 41% in 2020.

3.2.1 GDP and Public Debt

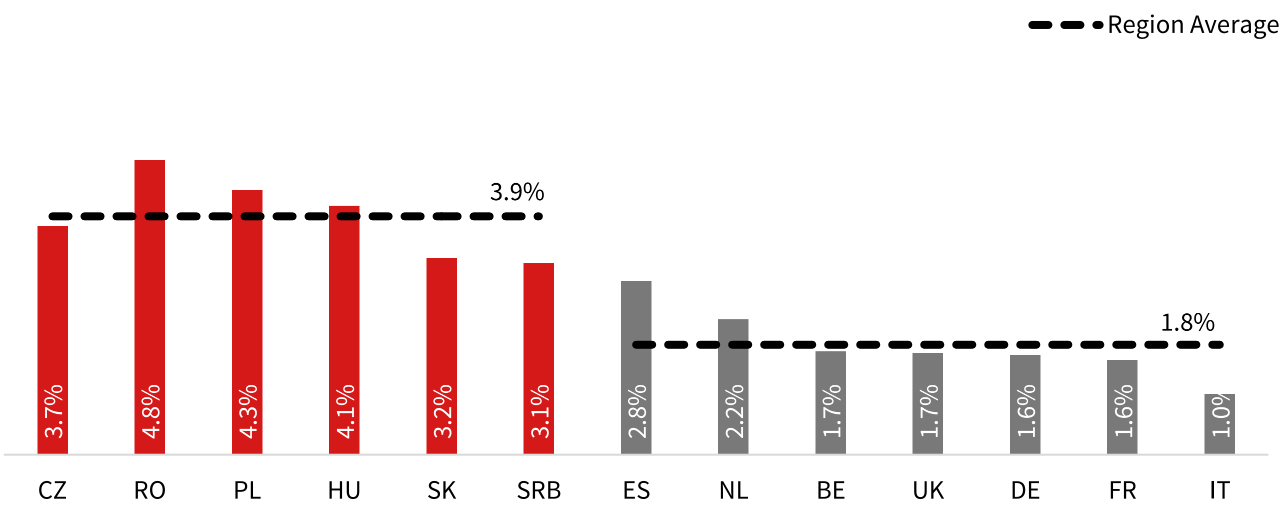
According to Consensus Forecast[13] a meaningful economic rebound will emerge from Q2 2021 across CEE albeit a resurgence in Covid-19 has put the growth recovery on hold. Optimism stems not only from a stream of breakthroughs in the search for a vaccine against the virus, which has fuelled an upturn in investor sentiment, but also from improvements in the outlook for global trade.

The extent to which CEE countries recover from a second dip in Q4 2020 will depend on the growth path for the euro zone and domestic demand resilience. Some support may come from EU funds but that depends on the 2021 – 2027 budget. Significant injections of new EU-led investment are unlikely to materialise soon. Recovery profiles continue to be in question.

Q3 2020 GDP turned out to be more buoyant than had been anticipated, as countries clawed back output losses from virus-induced downturns in Q2. However, as governments re-imposed semi-lockdowns to contain a second wave of Covid-19 the immediate outlook has become more uncertain. However, quarterly GDP profiles through to Q2 2022 for most countries suggest that an economic rebound will occur from Q2 2021, synchronized with an expected recovery in the euro zone.

According to the latest figures published by Oxford Economics, the CEE region exhibited relatively high GDP growth with an average growth of 3.9% in 2015-2019 and thus outperfomed selected Western European countries by 2.1% on average. The main driver of the growth was robust household consumption alongside external demand.

Average Real GDP Growth in 2015-2019



Source: Oxford Economics, December 2020

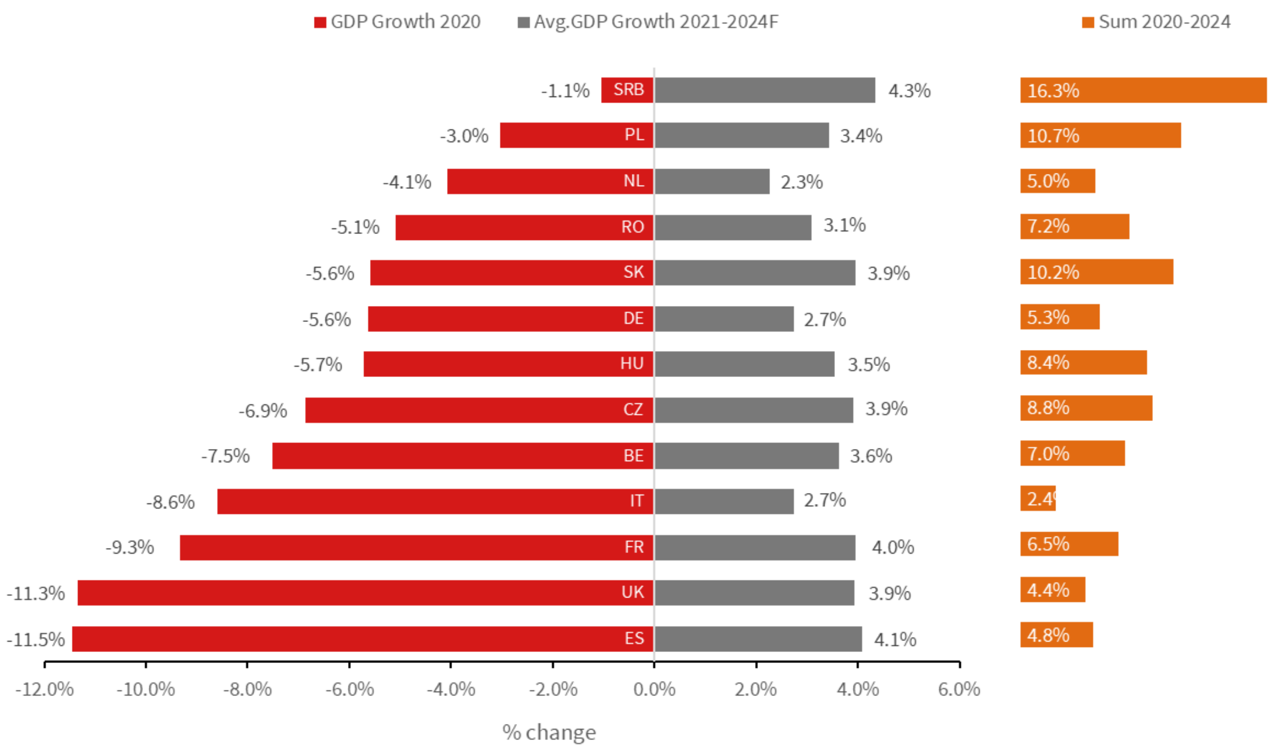
13 Published by Consensus Economics who surveys over 250 prominent financial and economic forecasters for their estimates of a range of variables including future growth, inflation, interest rates and exchange rates. Reports from November and December 2020.

The charts below illustrate how quickly selected economies are forecast to restore their levels of output to pre-pandemic levels based on real GDP (inflation-adjusted / seasonality-adjusted) forecasts through to 2024. All selected countries are expected to get back to positive growth in 2021 and continue to recover throughout the whole period 2021-2024. In general, the fastest recovery, measured by as a total GDP growth in the period of 2020-2024, is expected in Serbia (16.3%), followed by Poland (10.7%) and Slovak Republic (10.2%).

The CEE markets in which CTP operates are expected to have a shallower decline and faster rebounds through the COVID-19 pandemic:

- According to Oxford Economics, the 2021-2024 GDP growth for CZ, HU, RO, SRB, SK on average is expected to be 3.8% versus 3.3% for Western European economies (ES, DE, FR, I, NL, BE, UK).

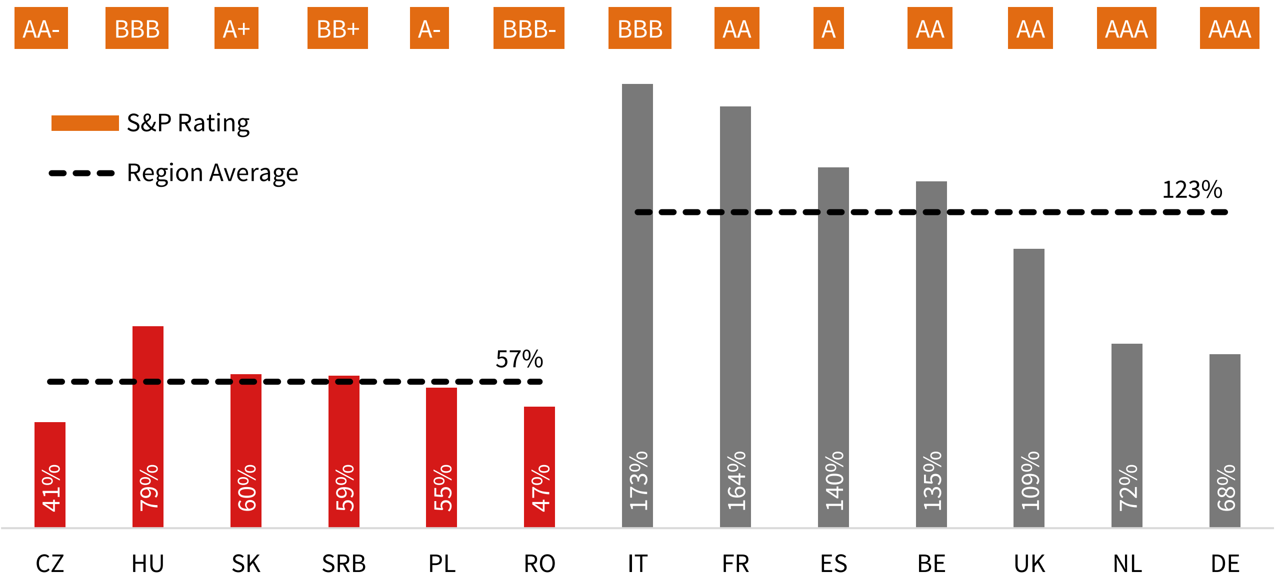
Average Real GDP Growth Forecast 2020-2024



Source: Oxford Economics, December 2020

Solid GDP growth in combination with healthy public debt within the CEE region represents a relatively healthy environment, moreover supported by robust sovereign ratings. In general, public debt in CEE countries (57% both including and excluding Poland) is significantly lower than in selected Western European countries (123%). A high public debt is not always a sign of a struggling economy but it can slow down economic growth significantly, therefore the countries with low public debt are often considered as more stable.

Gross Government Debt (% of GDP in 2020)



Source: Oxford Economics, Czech National Bank, December 2020

3.2.1 Sovereign risk rating

Sovereign rating evaluation of selected CEE and Western European countries

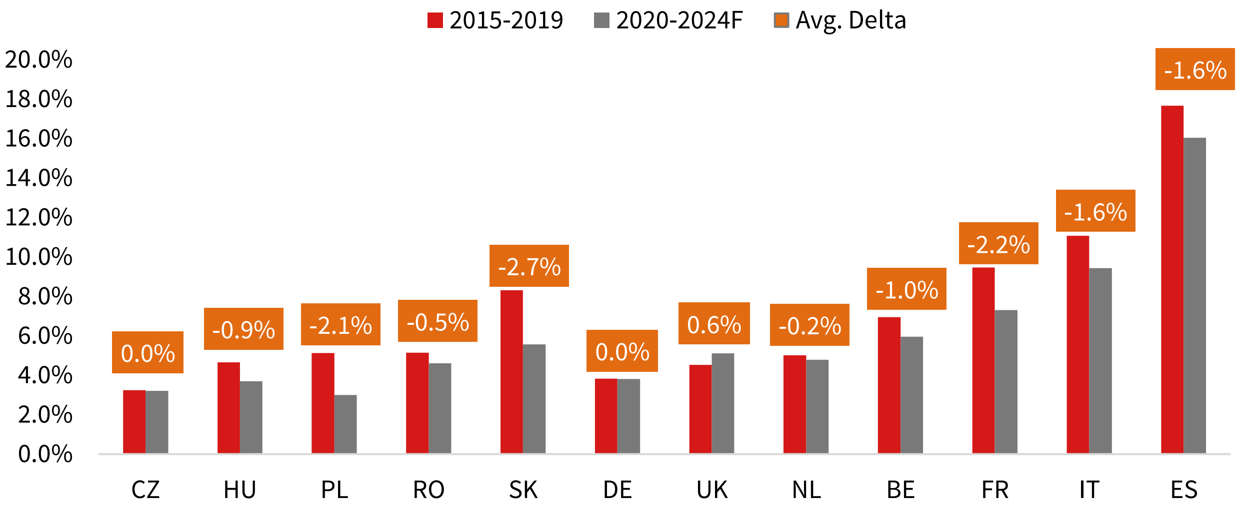
Country	Moody's	S&P	Fitch
Czech Republic	Aa3	AA-	AA-
Hungary	Baa3	BBB	BBB
Poland	A2	A-	A-
Romania	Baa3	BBB-	BBB-
Serbia	Ba3	BB+	BB+
Slovak Republic	A2	A+	A
Belgium	Aa3	AA	AA-
France	Aa2	AA	AA
Germany	Aaa	AAA	AAA
Italy	Baa3	BBB	BBB-
Netherlands	Aaa	AAA	AAA
Spain	Baa1	A	A-
United Kingdom	Aa3	AA	AA-

Source: The Czech National Bank, December 2020

3.2.2 Unemployment

A country's unemployment rate is a good indicator of its economic health. In 2019, the lowest unemployment rate of selected countries (based on ILO definition) was registered in the Czech Republic (2.0%), followed by Germany (3.1%) and Poland (3.3%). Except the UK, all other countries have a predicted decline or a stable level of this indicator in the period of 2020-2024 compared to the period of 2015-2019. Unemployment rate within the CEE region is expected to remain relatively low compared with many Western European economcies such as France, Italy and Spain and stands on average below the level of 6% in the 5 years, 2020-2024.

Unemployment Rates (period average)



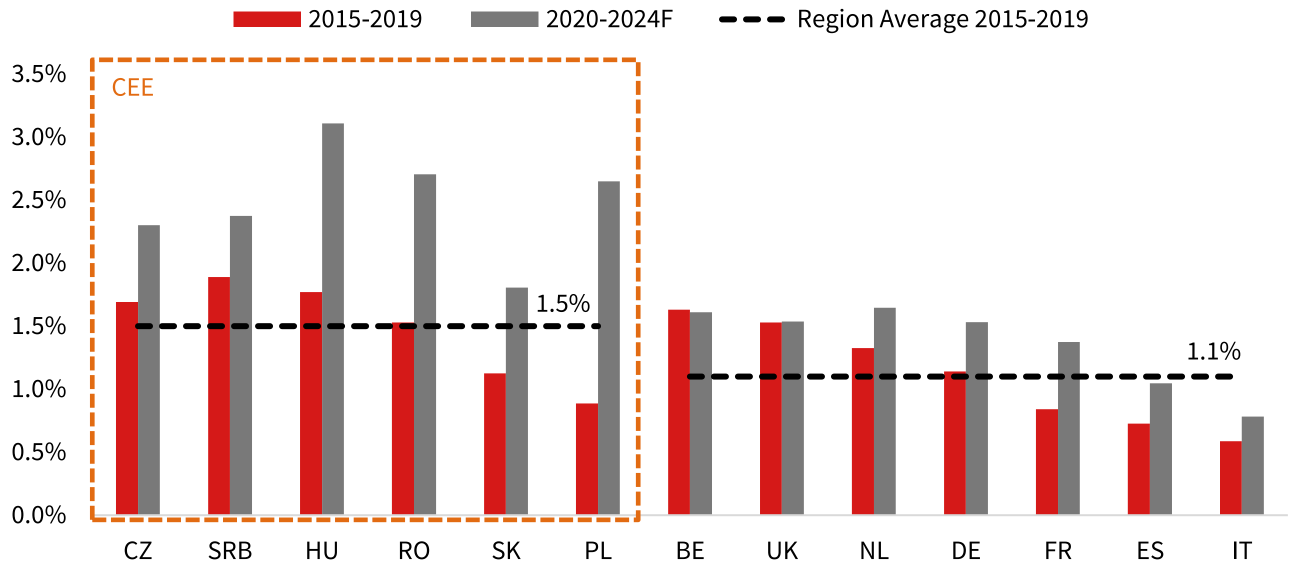
Source: Oxford Economics, December 2020

3.2.3 Inflation, Retail Sales and Private Consumption

Inflation is another important economic indicator. In 2019, the lowest rates were registered in Italy (0.6%), Spain (0.7%) and France (1.1%). The highest rates were in Romania (3.8%), Hungary (3.4%) and the Czech Republic (2.9%). In comparison, the euro area annual inflation rate reached 1.2% in 2019.

The inflation outlook in the Eurozone remains weak, even by the European Central Bank's ('ECB') own admission. The ECB's updated set of macroeconomic forecasts sees core inflation at only 1.2% in 2023, essentially guaranteeing that monetary policy will need to remain extremely accommodative for several years. Over the five-year period of 2020-2024, inflation in most of the CEE countries is forecast to oscillate at around the 2% threshold which is considered as a healthy rate of inflation. The highest inflation rate is expected in Hungary (3.1%), Romania (2.7%) and Poland (2.6%).

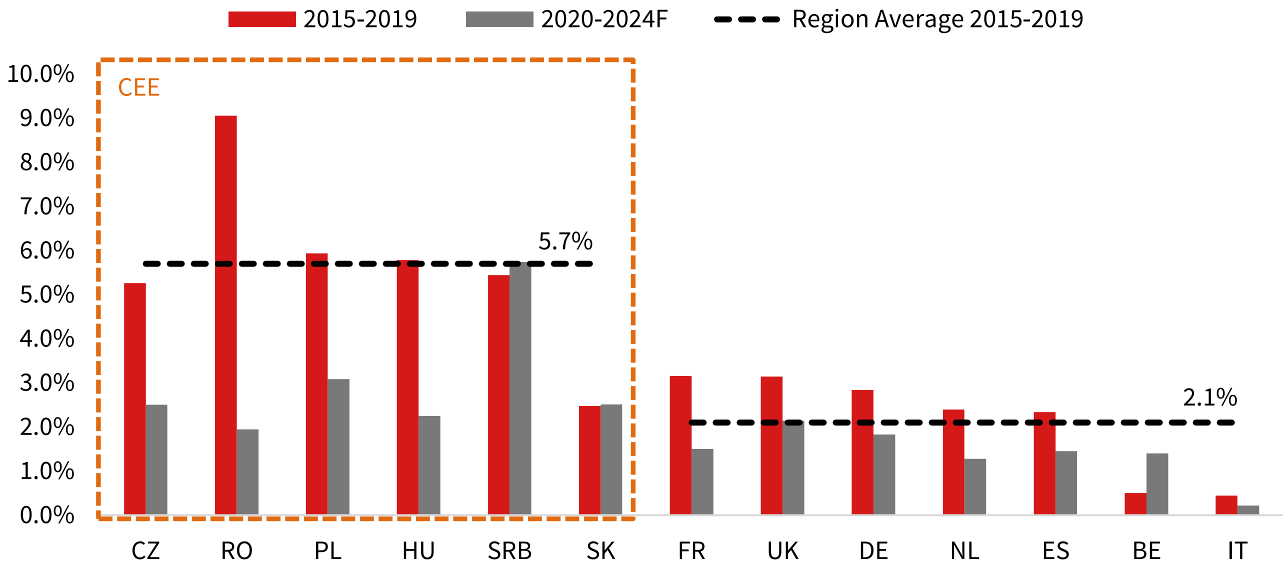
Inflation Rates (period average, % change)



Source: Oxford Economics, December 2020

During 2020, retail sales were hit by lockdowns and governments' restrictions due to the Covid-19 pandemic. The closure of the majority of stores and travel restrictions caused a rapid decline in retail sales all over the world. From a EU perspective, Western European countries were hit much harder than CEE, according to figures from Oxford Economics. An average decline in the CEE region reached 0.1% in 2020 while Western European countries registered a decrease of 2.4%. Nevertheless, it is expected retail sales will pick up in 2021 if the economies bounce back. In a long-term view, the CEE region is forecast to reach above-average growth compared to Western European countries.

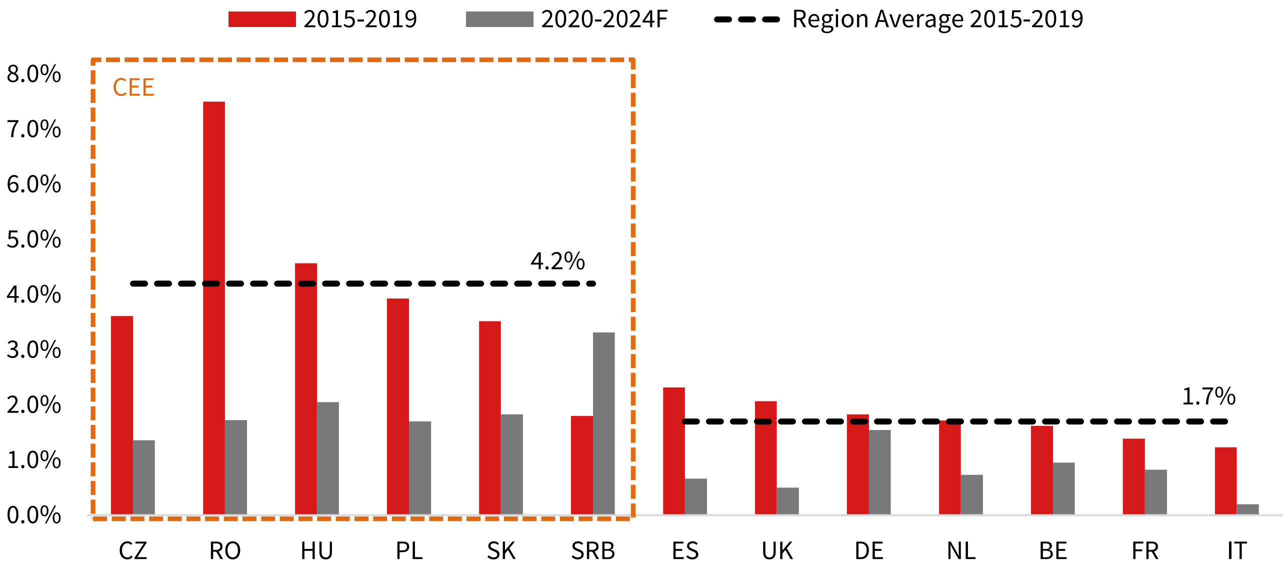
Retail Sales (period average, % change)



Source: Oxford Economics, December 2020

Private consumption is an important variable as it constitutes more than 50% of GDP in the Eurozone. Although retail sales have experienced a strong rebound after the summer as restrictions were eased, it is expected by Oxford Economics that this overstates the strength of the consumer sector, and total consumer spending will continue to be hampered by weaker demand for services than goods in the short term. Stalling consumer confidence shows that households remain concerned about the outlook, and the latest restrictions are likely to hit household spending hard. The longer-term recovery will be largely shaped by the final damage done to the labour market and, although most countries have put policies in place to protect jobs, a surge in unemployment once this support is removed would cause lasting damage to household incomes and slow the subsequent recovery. The five-year period (2020-2024) forecast for private consumption reaches 2.0% in the CEE markets (2.1% excluding Poland) and 0.8% on average in the selected Western European countries as illustrated in the following graph.

Private Consumption (period average, % change)

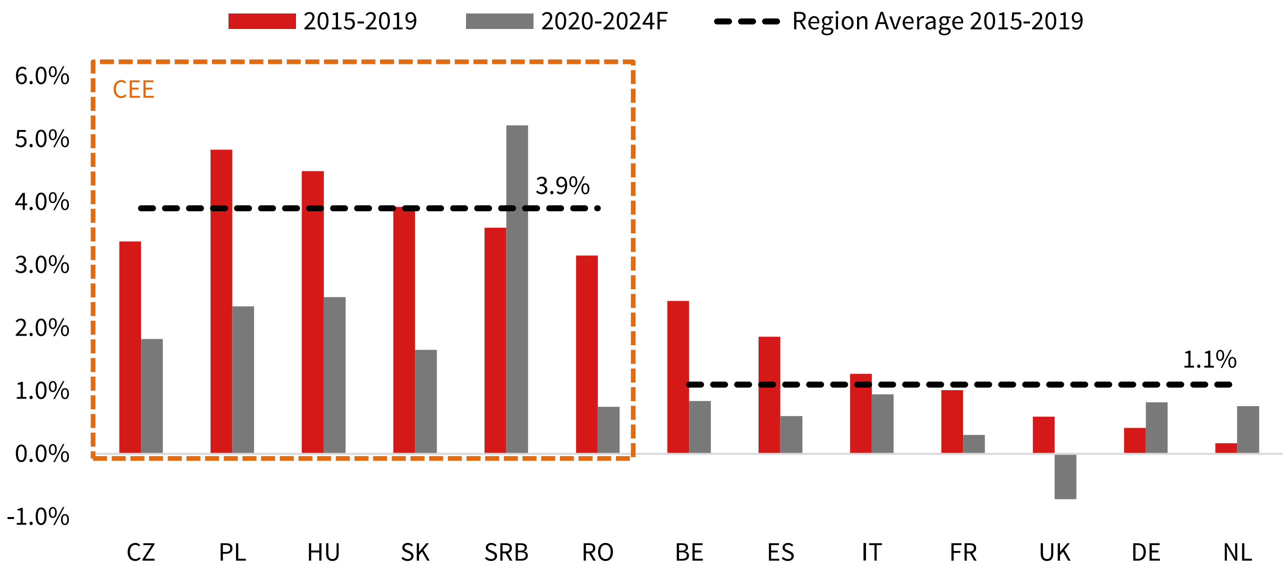


Source: Oxford Economics, December 2020

3.2.4 Industrial production & Export

According to Oxford Economics, industrial production in the CEE region grew between the years 2015 and 2019 on average by 3.9%, compared to 1.1% in the selected Western European countries. In general, all CEE countries outperfomed Western European countries and the EU average (1.6%) as a whole. The Eurozone's industrial production increased by 2.1% month on month in October, driven mainly by strong growth in Germany, and all major countries posted a monthly increase. This still left the Eurozone's industrial output almost 3.5% below prepandemic levels. The overall outlook looks more positive for the CEE region which will support faster recovery of the economies.

Industrial Production (period average, % change)

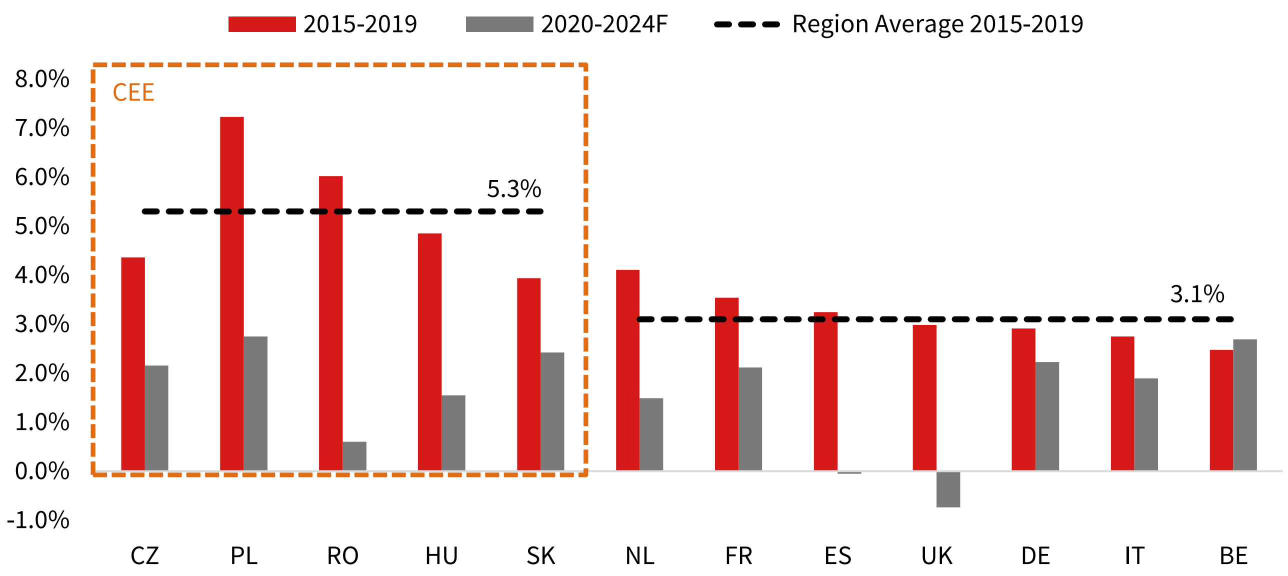


Source: Oxford Economics, December 2020

The impact of the pandemic on tourism and the fall in global merchandise trade mean that exports collapsed in H1 2020 according to figures from Oxford Economics. As a result, total exports of goods from the Eurozone will decline by some 11% in 2020 overall. But the fall in domestic demand will also cause imports to decline sharply, so the contribution from net trade to growth should be only modestly negative. With global merchandise trade already recovering strongly and tourism flows expected to start to normalise during late 2021, it is expected that export of goods in volume will rebound by 7.9% in 2021 and then grow a further 6.0% in 2022.

From a regional perspective, the CEE countries are expected to see an increase in their export of goods by 1.9% on average in the period 2020-2024, compared to 1.4% which is predicted for the selected Western European countries. The CEE markets in which CTP operates had a slightly lower average growth rate compared to the whole CEE, but at an average of 1.7% still registered growth above Western European countries.

Export of Goods (period average, % change)



Source: Oxford Economics, December 2020

Purchasing Managers Index ('PMI')

Eurozone exports of goods to non-eurozone countries were up by 2.1% over the month in October (according to the seasonal adjusted indicator), posting the sixth consecutive monthly rise, while intra eurozone trade increased by 1.3% m/m. In line with the dynamic that seen in Q3, when net trade posted a very positive contribution to GDP increase, the relatively sluggish recovery in the eurozone domestic demand meant that imports recovered less quickly than exports, with the trade balance returning in October to levels seen before the covid crisis. As some restrictions to control of the virus were eased, and with the prospects of a vaccine being more widely available in early 2021, the December flash PMIs for the eurozone, Germany and France all improved.

3.3 Economic background of the selected CEE countries

The following country economic profiles draw heavily on reports and data from Oxford Economics to which JLL subscribes.

3.3.1 The Czech Republic

The global financial crisis resulted in output across the Czech Republic plunging 4.7% in 2009, followed by a modest recovery. But there was a renewed albeit shallower recession in 2012 and 2013 due to sharp fiscal consolidation. Growth regained momentum in 2014 at 2%, accelerating to 4.3% in 2015 on the back of surging fixed investments boosted by increased absorption of EU funds. Household consumption is being supported both by strong nominal wage growth resulting from a tight labour market and supportive fiscal measures.

According to Oxford Economics, the Czech Republic is one of the most developed industrial economies in Central and Eastern Europe. Industry is dominated by metallurgy, engineering, automotive and electronic industry, and makes up 41% of GDP. The largest part of the country's GDP comes from the service sector (55%), while the agricultural sector only contributes 5%. One of the most important aspects of the economy is its integration into German supply chains. Soon after the collapse of the communist regime in 1989, western European investors, mostly German and Austrian, took advantage of a relatively cheap and high skilled labour force, geographical proximity, relatively good infrastructure, solid industrial structures and labour traditions and widespread knowledge of the German and English languages; many German international corporates have their factories and subsidies in the Czech Republic, especially in the automotive industry.

3.3.2 Romania

Romania transitioned to a market economy in the 1990s and has since undergone a period of rising national income and living standards. However, the pace of development was initially slower than its neighbours in the Central and Eastern Europe region and Romania continues to face significant problems with poverty. Following several key structural reforms in the early 2000's, Romania joined the EU in 2007 and it is also a candidate to join the euro, although the prospect of Romania adopting the euro remains distant.

The services sector is the largest sector of the economy, estimated at just over 60% of GDP in 2016 and set to rise to roughly 65% by 2020. Industry remains an important sector, representing approximately 35% of GDP, with the share forecast to remain roughly constant. A key and growing industry is the manufacturing of car parts, which are mostly exported to other EU countries.

3.3.3 Hungary

Following the fall of communism in 1989, Hungary pursued a strategy of liberalisation and radical direct-sale privatisation, becoming a major regional hub for multinational companies, including export-oriented automotive manufacturers. As a result, exports and investment became the key drivers of growth. However, a long record of fiscal profligacy, twice leading to crises (in 1994 and 2008), has dented Hungary's growth potential, and its convergence with the EU has been one of the slowest in the region (income levels rose from

48% to 65% of the EU-15 average between 1996 and 2015, the second slowest convergence in the CEE after the Czech Republic).

Being a significant destination for export-oriented foreign direct investment ('FDI'), Hungary is a very open economy. Exports account for 92% of GDP (compared with 83% in the Czech Republic and 50% in Poland). Investment, having reached a peak of 25% of GDP in 1999, fell to 21% in 2015, and 18% in 2016 following a major (albeit temporary) slump in EU-funded and automotive-related investment. This high reliance on exports and EU-funded investment, combined with massive external debt, makes Hungary vulnerable to external shocks. Meanwhile, a high degree of state interventionism and an unpredictable policy environment affect private investor confidence, weighing on other private investment.

3.3.4 **Slovakia**

The Slovak Republic became a full EU member in May 2004 and a eurozone member in 2009. In the country's modern history, these two dates marked the end of a journey that started in late 1989, when the 'Velvet Revolution' signalled the end of communist rule and the creation of two new countries out of the old Czechoslovakia. In the immediate aftermath of the split, Slovakia struggled in comparison with the Czech Republic. But in recent years, access to EU funding and markets has enabled Slovakia to take advantage of its catch-up potential. Indeed, Slovakia's economic expansion was one of the strongest in the EU after the global financial crisis, with GDP increasing by 2.4% pa between 2010 and 2015, notwithstanding the impact of the eurozone crisis during this period. Slovakia's GDP per capita, adjusted for purchasing power parity, was some 81% of the EU average in 2018, up from 57% in 2004.

The recent economic success has been built on large inflows of FDI, particularly in the first five years after EU accession (when it averaged over 6% of GDP). The automotive and electronics sectors in particular benefitted from foreign investment in modern factories and technology. As a result of this legacy, these sectors continue to dominate Slovakia's export mix. Foreign investors were attracted to Slovakia by the availability of a cheap and reasonably well-educated workforce. But while the Bratislava region is now one of the richest in the EU, other areas are among the poorest and regional disparity is now a big problem facing the country.

3.3.5 **Serbia**

Once among Eastern Europe's richest and most industrially diversified states, Serbia was severely damaged by the Yugoslav break-up and trade sanctions in 1992-95 and by conflict in Kosovo in 1999. President Slobodan Milosevic was ousted in 2000, but Montenegro, a mountain republic with large tourism and steel industries federated with Serbia since 1918, seceded in 2006 after a 55% referendum vote for independence. Both joined the Central European Free Trade Agreement ('CEFTA') in 2006, but Kosovo, whose 2m population is 90% ethnic-Albanian, declared unilateral independence in 2008. Serbia's stabilisation and association agreement ('SAA') with the EU was ratified in 2010, and EU accession talks began in January 2014. IMF standby support continued with a €1.2bn three-year loan in February 2015, with conditions including reductions in the fiscal deficit, inflation, and public sector costs and subsidies. IMF-backed policies reduced inflation below 2% by 2015, but limited annual average growth to 0.4% in 2010-15 and widened the fiscal deficit so that general government debt reached 77% of GDP in 2015 (from 44% in 2010). A subsequent recovery has narrowed the fiscal and external deficits, reducing public debt to 52% of GDP in December 2019 before the pandemic-induced rise to the current 57.2%. Though this appears dramatic, this level is still sustainable, according to Oxford Economics.

According to Oxford Economics, although territorial loss has reduced its population to 7 million, Serbia retains the domestic market size and skills base that made it former Yugoslavia’s most diversified economy and main FDI attractor. Industry generates almost one-third of GDP and includes large-scale production of steel, vehicles, car parts, construction materials, textiles, food, drink and electronic goods. Privatisation has proceeded at a steady pace with the aim of restructuring former state-owned industries to allow them to operate without subsidies while avoiding large-scale job losses. The early sale of major banks to EU-based multinationals restored the flow of credit to industry and households after 2000, though this fuelled a consumer boom that proved unsustainable in 2008 and preserved a culture of heavy business borrowing dating from socialist-era ‘social ownership’ that deterred external shareholding.

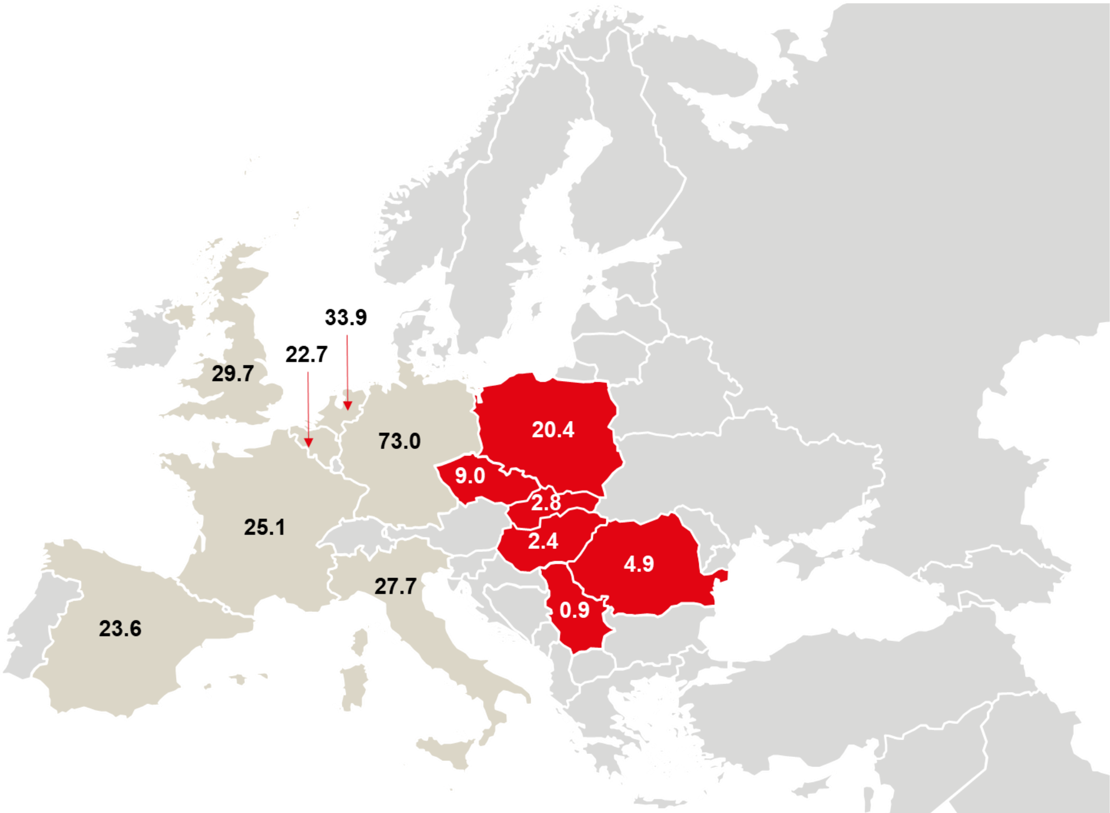
4 European Industrial Occupational Market

4.1 Supply dynamics

The estimated total European stock of logistics/warehouse space stood at approximately 300 million sqm as of Q3 2020 based on the 11 major country markets that JLL tracks in its global real estate market data related database (Belgium, Czech Republic, France, Germany, Hungary, Italy, Netherlands, Poland, Russia, Spain and UK)[14]. Around 66% of this total is situated within the largest five country markets: Germany, Netherlands, Russia, the UK, and Italy. Germany is the largest European market with a total stock of 73 million sqm of modern logistics space.

The CEE market comprises five main country markets, namely the Czech Republic, Hungary, Poland, Romania and Slovakia. Its stock currently stands at nearly 40 million sqm, approximately 13% of the European total (of 307.8 million sq m based on our core 11 country markets plus Slovakia and Romania). The largest CEE market is Poland followed by the Czech Republic.

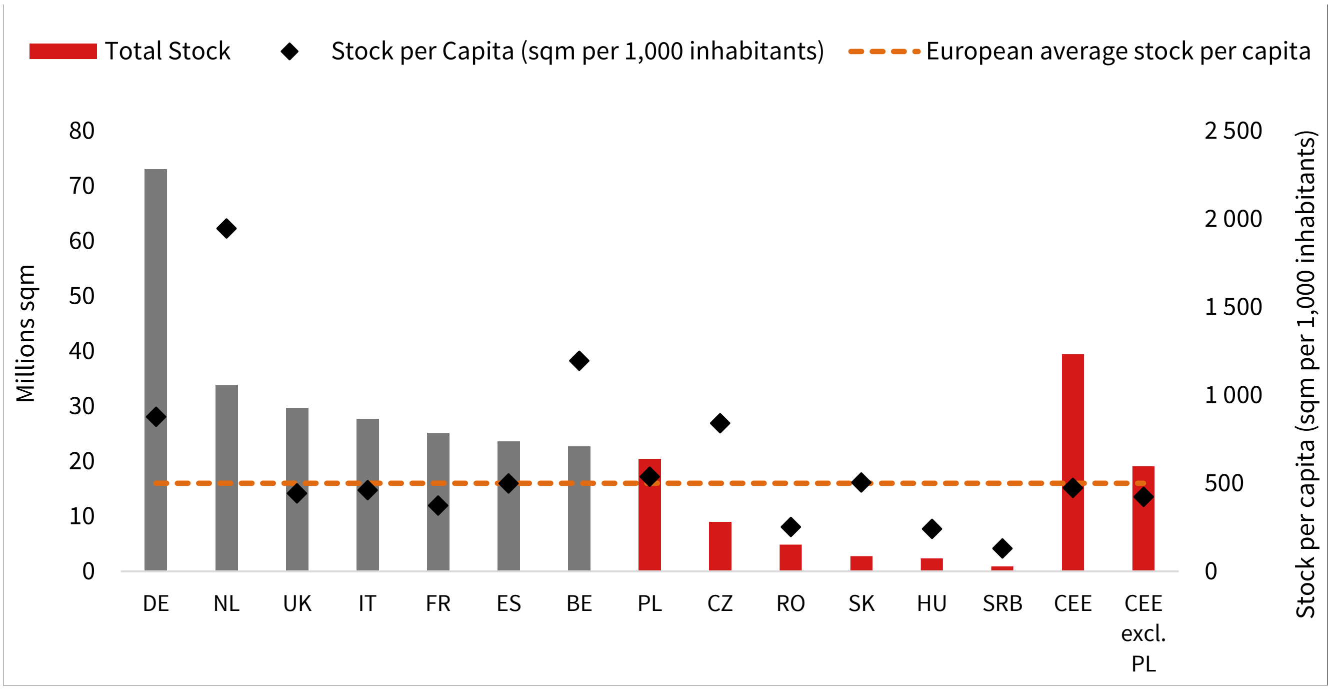
Logistics stock in selected Western European and CEE countries (million sqm)



Source: JLL, Q3 2020

14 Total logistics stock estimates for countries are generally based on modern warehouse units of 5,000 sqm and over (10,000 sqm and over for the UK). The estimate for France is based on the main four markets around Paris, Lyon, Lille and Marseille, which comprise a North-South Axis, and are not country-wide estimates. The Netherlands estimate is based on all unit sizes as is the estimate for Italy.

Logistics stock in selected European countries and stock per capita



Source: JLL, calculations on Eurostat population data, Q3 2020

*Note: CEE includes Poland, Czech Republic, Slovakia, Hungary and Romania

Among the CEE countries, only Poland can compare to Western European markets in terms of the overall size of its stock. Other CEE markets are individually of a smaller scale.

When we compare logistics stock per 1,000 inhabitants, it is the Netherlands and Belgium, followed by Germany and the Czech Republic that have the highest level of stock per capita. The remaining European logistics markets are in line with the average share which stands at 500 sqm per 1,000 inhabitants, except for the UK, Italy, France, Hungary, Romania and Serbia, which have lower shares than the European average.

Logistics stock per capita in selected European markets (sqm per 1,000 inhabitants)

Market	Total stock (million sqm)	% of the total	Stock per capita (sqm per 1,000 inhabitants)
Europe (11 core markets)*	300.0	97.2%	500
Europe (11 core markets plus RO, SK and SRB)	308.6	100%	525
Germany	73.0	23.7%	878
CEE**	**39.5**	**12.8%**	**475**
CEE excl. Poland	**19.1**	**6.2%**	**422**
Poland	20.4	6.6%	537
Czech Republic	9.0	2.9%	841
Slovakia	2.8	0.9%	505
Hungary	2.4	0.8%	241
Romania	4.9	1.6%	252
Serbia	0.9	0.3%	130
Belgium	22.7	7.4%	1,966
Netherlands	33.9	11.0%	1,947
France	25.1	8.1%	374
Italy	27.7	9.0%	460
UK	29.7	9.6%	443
Spain	23.6	7.7%	499

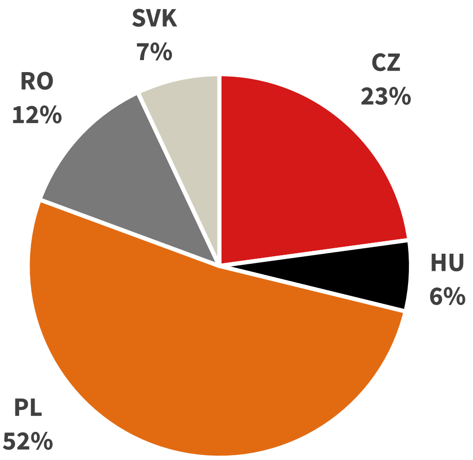
Source. Eurostat (Population data as of 1st January 2020), the World Bank (Russian population data as of 2019), JLL stock data as at Q3 2020

*Europe 11 core markets include Belgium, Czech Republic, France, Germany, Hungary, Italy, Netherlands, Poland, Russia, Spain and UK

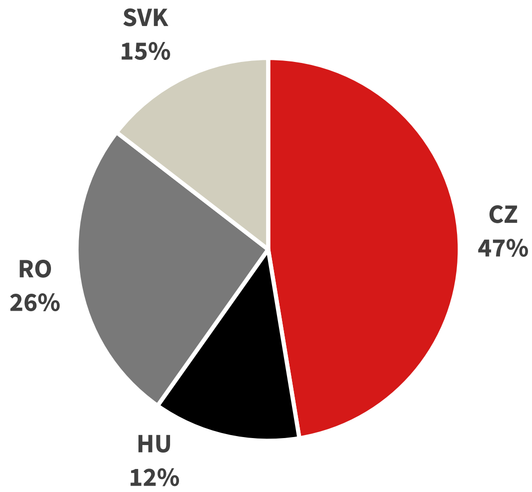
**Note: CEE comprises Poland, Czech Republic, Slovakia, Hungary and Romania

On a stock per capita measure, the Czech Republic represents the most developed CEE market and one of the most developed logistics markets in Europe standing at 841 sqm per 1,000 inhabitants. Within the CEE markets Poland’s stock per capita also significantly exceeds the European average. Slovakia’s stock per capita is very marginally above the European average (504 sqm per 1,000 inhabitants).

Logistics stock in CEE



Logistics stock in CEE excl. Poland



Source: JLL, Q3 2020

The Polish market represents more than 50% of CEE's logistics stock. The Czech Republic ranks second with 23% of the total CEE stock, followed by Romania with 12%.

As of September 2020, the largest logistics park in the CEE region was CTPark Bucharest West with more than 600,000 sqm of logistics and light industrial space. The second ranked was CTPark Bucharest with nearly 500,000 sqm of space, followed by the largest Czech logistics park, namely CTPark Brno with over 436,000 sqm of logistics and light industrial space. In top 10, there are three Romanian, four Czech, one Slovak and two Polish logistics parks. The largest four parks in CEE are part of the CTP network, being owned and developed by CTP.

Ten Largest Logistics Parks in CEE

Logistics Park	Country	GLA (sqm)
CTPark Bucharest West	Romania	618,000
CTPark Bucharest	Romania	493,800
CTPark Brno	Czech Republic	436,000
CTPark Bor	Czech Republic	420,800
Prologis Park Bratislava	Slovakia	394,400
P3 Prague Horní Počernice	Czech Republic	385,000
P3 Bucharest A1	Romania	380,000
Prologis Park Prague-Jirny	Czech Republic	349,000
Central European Logistics Hub	Poland	345,000
SEGRO Logistics Park Stryków	Poland	301,500

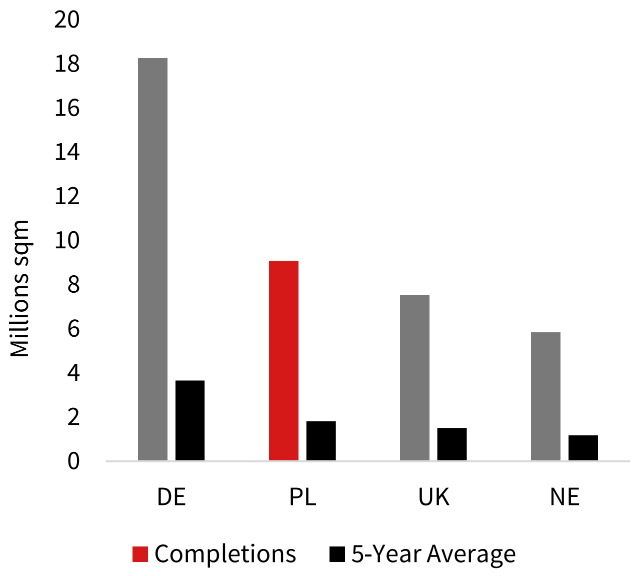
Source: JLL, Q3 2020

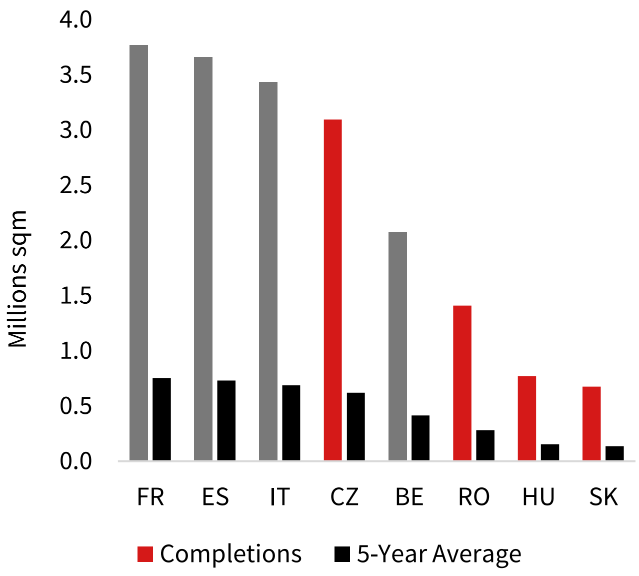
Note: This data refers to modern developer-led warehouse and industrial production space of A class quality, owned by a developer or investor for lease to third parties. It does not include owner-occupied stock.

Across the major 11 European logistics markets as per JLL's market monitoring, a total of 65.8 million sq m were completed over the past five years (2015-2019) with an additional 9.9 million sq m completed during the first nine months of 2020.

During the full period 2015 to Q3 2020, new completions were led by Germany with more than 20 million sq m added to the market over this time. Poland posted the second highest level with nearly 11 million sq m,. Russia, the UK and the Netherlands followed, rounding out the top five European markets in terms of total new completions.

Total Completions (2015-2019)



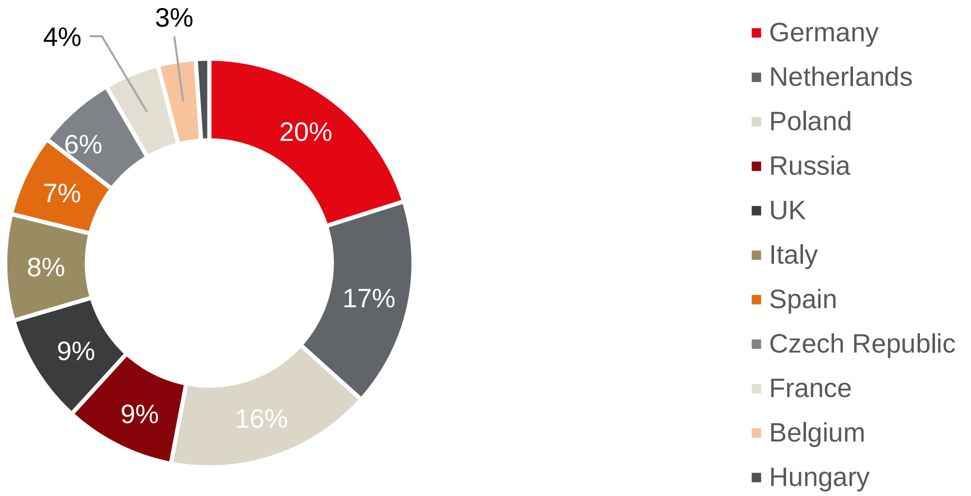


Source: JLL, Q3 2020

Significant logistics development in CEE is most visible in two countries, Poland and the Czech Republic. In the last five years (2015-2019), the Polish logistics market grew on average by more than 1.8 million sqm per annum, a level that exceeded some Western European markets including the UK and the Netherlands. The Czech Republic was another CEE market that grew significantly, with an average of more than 600,000 sqm per annum added in 2015-2019 to its stock, slightly below the averages of the mature Western European logistics markets of Italy, Spain and France, but ahead of Belgium.

On a European level, as a result of the pandemic the level of completions slowed down by 16% y-o-y during Q1 – Q3 2020, but in the 5-year comparison (Q1-Q3 2015-2019), the volume of new completions exceeded this average by 8%. The highest level of completions in the first nine months of 2020 was delivered in Germany, Netherlands and Poland where more than half of all newly completed space was built.

Share of New Completions in Q1 – Q3 2020 by country

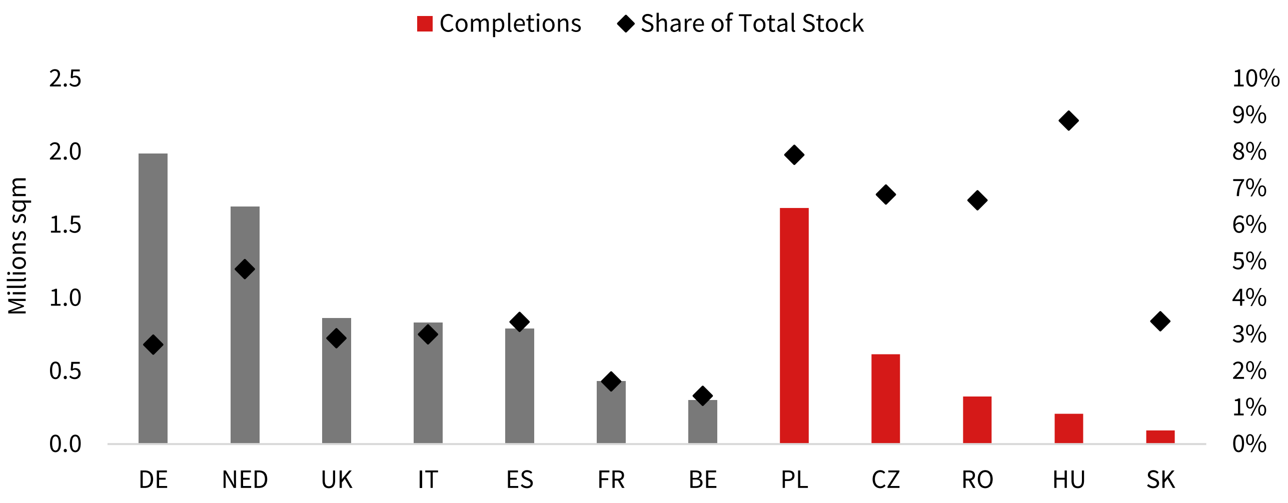


Source: JLL, Q3 2020

In the first nine months of 2020, construction activity continued, albeit with some difficulties due to the pandemic. With more than 1.6 million sqm of new space completed, Poland ranked third behind Germany and the Netherlands in terms of total floorspace built over this period. In the Czech Republic, the level of new deliveries exceeded 600,000 sqm, surpassing supply levels seen in France or Belgium. In the first nine months of 2020, new completions in the CEE countries represented a minimum of 3.3% of total stock in Slovakia but close to 9% in Hungary, which has a relatively small total stock.

One of the main drivers of the ongoing construction activity is tight supply reflected in historic low vacancy rates. With logistics markets expected to benefit from ongoing e-commerce growth the pressure on supply will likely remain high unless there is a significant increase in space put back on the market, e.g. from business failures.

Logistics Supply in Q1-Q3 2030

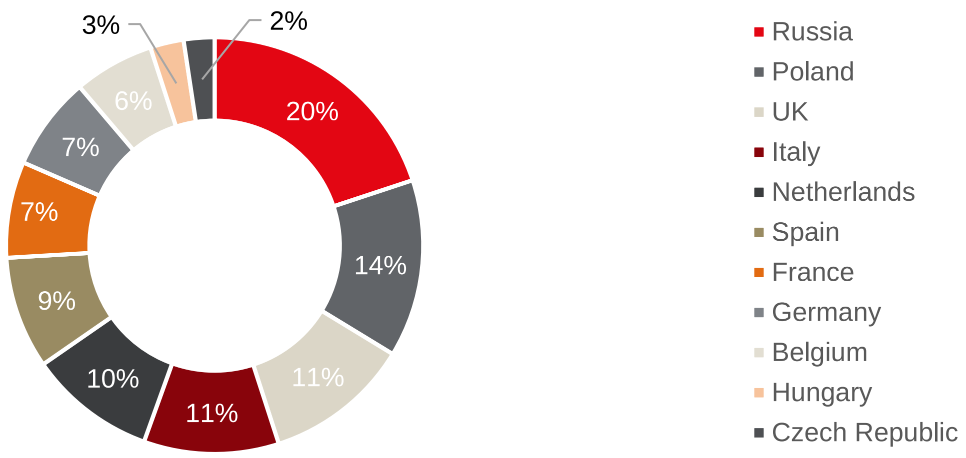


Source: JLL, Q3 2020

In Western European markets, new completions ranged between 1.3% of total stock in Belgium to 4.8% in Netherlands. These shares are influenced by the size of the market, with a given level of completions leading to higher figures for countries where the existing built stock is relatively low.

Following a forced pause in the first half of the year, construction picked up again after the summer. At the end of Q3 2020 total space under construction stood at 16.8 million sqm across Europe (incl. the 11 major countries according to JLL's market monitoring). This was only marginally below the level seen in Q3 2019 but compared to the 5-year average, space under construction at end Q3 2020 was 28% higher. Speculative development currently represents 29% of the total development on average in Europe. Speculative development refers to space under construction which is being built without a secured lease agreement.The largest share of speculative construction is seen in Russia, followed by Poland, UK and Italy.

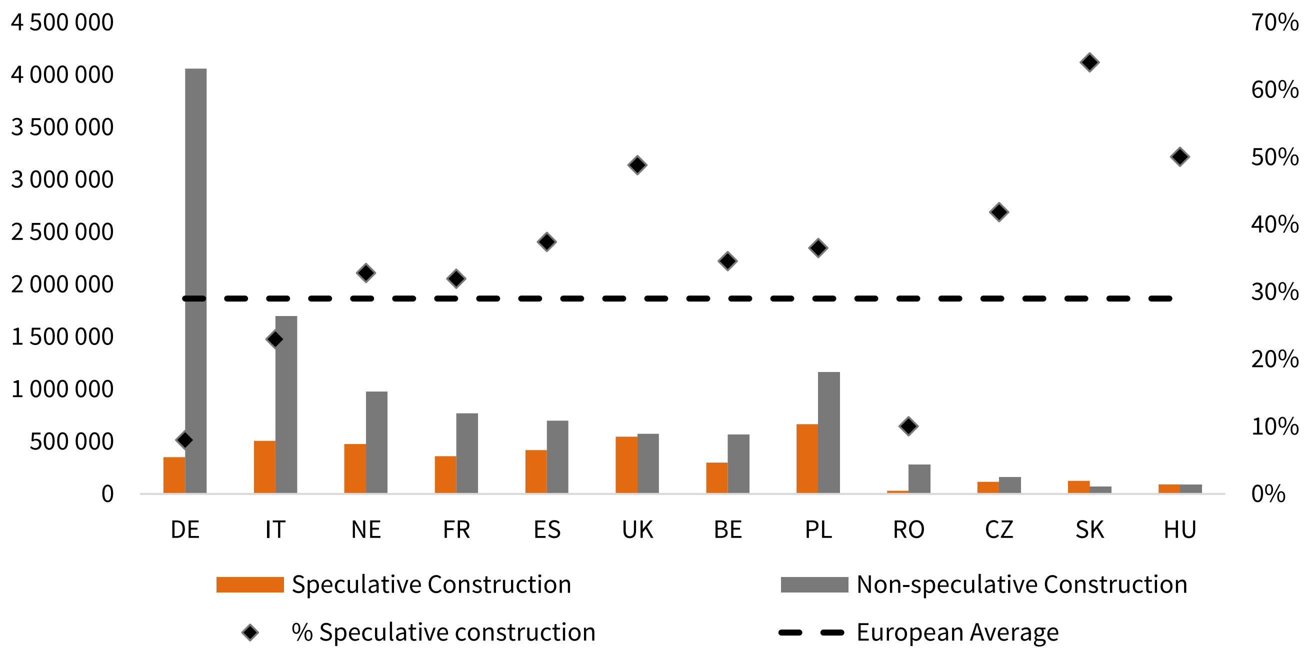
Speculative space under construction at end-September 2020 (% out of European total volume)



Source: JLL, Q3 2020

Above European average speculative development was also registered in other major markets including Spain where (at the end of September 2020) 37% of the current pipeline was under construction speculatively, followed by Belgium (35%) and France (32%), as well as in the CEE markets where the level of speculative development is even higher, albeit based on a smaller market size. At the end of Q3 2020, all CEE markets registered above average shares of speculative development ranging from 36% in Poland to 50% in Hungary. Below average speculative development was seen across Germany's 'Big 5' markets of Berlin, Düsseldorf, Frankfurt, Hamburg and Munich (8% on average), Romania (est. 10%) and Italy (23%).

Speculative and non-speculative construction as of September 2020



Source: JLL, Q3 2020

Higher levels of speculative development in CEE countries are driven by record low vacancy rates, which is especially the case in Hungary (2.3%) and the Czech Republic (4.4%) where the vacancy rate further decreased in Q3 2020.

Vacancy rates also decreased on a quarterly basis in Romania, Germany, Italy and the UK. The UK showed the largest fall in vacancy levels on both a quarterly basis (when it declined by 100 bps) but also on a yearly basis (with a decrease of 200 bps). This was largerly due to a record level of quarterly take-up in Q3 2020 and high take-up throughout the first nine months of the year, which already exceeded the total for the whole of 2019.

Despite nudging up by 10 bp, the European aggregated vacancy rate remained sub-5%, to 4.8% in Q3. The vacancy in the CEE region excluding Poland was 4.9%.

Logistics vacancy rate as of September 2020

Country	Vacancy rate (%)	Vacancy change (bp) q-o-q	Vacancy change (bp) y-o-y
Czech Republic	4.4	-20	+20
Hungary	2.3	-30	+30
Poland	8.6	+90	+190
Romania	5.0	-70	-50
Slovakia	8.7	+190	+130
CEE*	**6.8**	**+40**	**n/a**
CEE excl. Poland	**4.9**	**0**	**n/a**
France	4.8	+20	+20
Germany	2.9	-10	+10
Italy	3.5	-10	-20
Netherlands	5.1	+30	+130
Spain	6.6	+30	+150
United Kingdom	7.0	-100	-200
Europe average**	4.8	+10	+20

Source: JLL, October 2020

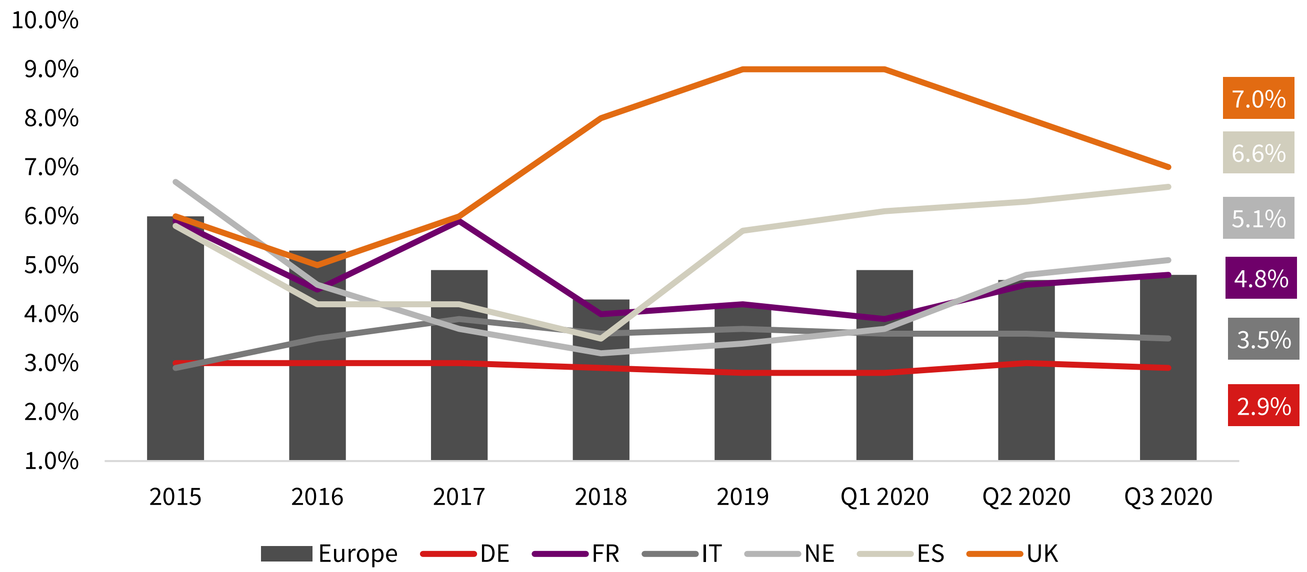
Notes:

*CEE includes data for the Czech Republic, Hungary (Budapest), Poland, Romania and Slovakia.

**The European average vacancy rate is estimated from country rates for the core 11 markets excluding Belgium. Vacancy rates are estimated in some countries due to either incomplete stock or availability figures.

Although the UK recorded a significant decline in its vacancy rate, it remains the highest in Western Europe. The rate in the UK is relatively high in part because JLL includes available buildings that are speculatively under construction in addition to immediately available buildings in its vacancy data for this country. In addition to the UK, the vacancy rate decreased year on year also in Italy to 3.5%. On the other hand, the highest increase in vacancy since Q3 2019 was recorded in Spain and the Netherlands where the vacancy rate rose by 150 bps to 6.6% and by 130 bps to 5.1% respectively.

Logistics space, vacancy rates in Western European countries, 2015-Q3 2020



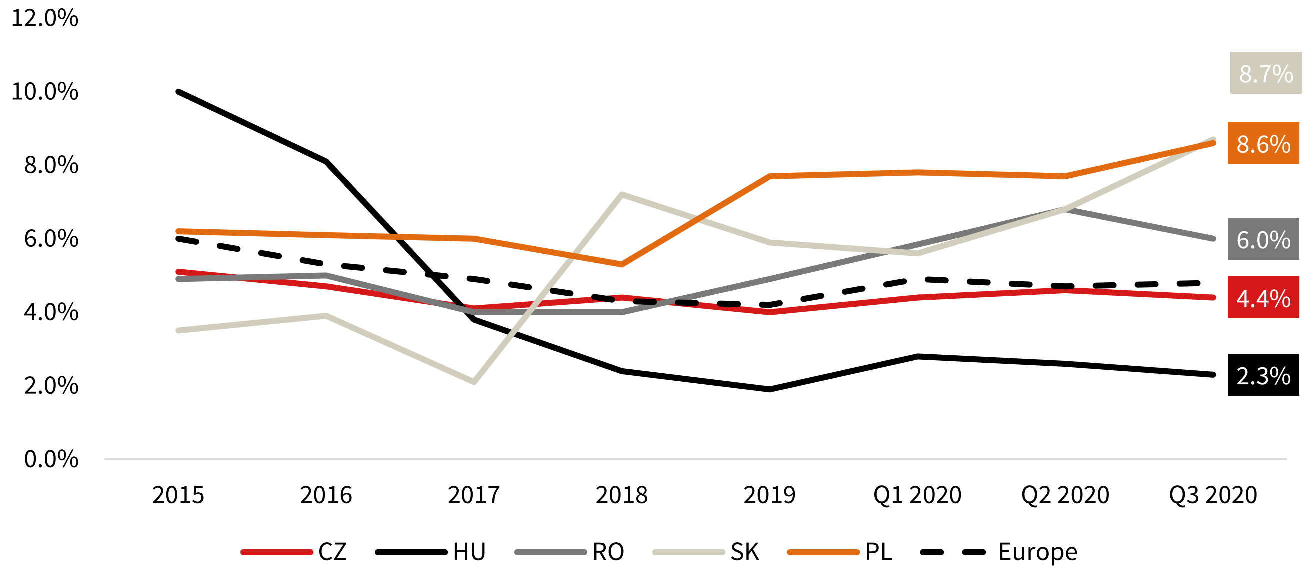
Source: JLL, October 2020

Note: This data represents the aggregated vacancy rate estimated for Western European warehousing markets, including France, Germany, Italy, the Netherlands, Spain, and the UK. Please note that JLL does not have a full data set of warehousing stock in each of these markets.

In CEE, the Czech Republic shows a continued low vacancy level over the period since 2015, ranging between 4.9% to the current level of 4.4%. The Hungarian market saw higher vacancy during 2015 and 2016 but in the following years vacant space was gradually absorbed from the market and currently (Q3 2020) the country has the lowest vacancy rate in the region (2.3%). In Slovakia, at the end of 2019, the logistics market had a vacancy of 5.9%, however since Q1 2020 it has risen to the level of 8.7% (end of September 2020). In Romania, according to historical data capturing Bucharest, the vacancy rate rose by 110 bps since Q4 2019, yet on a quarterly basis it decreased by 80 bps to 6.0% at the end of Q3 2020.

In Poland, the vacancy rate osacillated around 6% from 2015 to 2018 and since then it has increased mainly due to speculative construction. Strong occupier demand, even during the pandemic, has taken up a lot of new supply, yet this did not prevent the vacancy rate from rising to 8.6% by the end of Q3 2020, the highest level over the past five years.

Logistics space, vacancy rates in CEE countries, 2015-Q3 2020

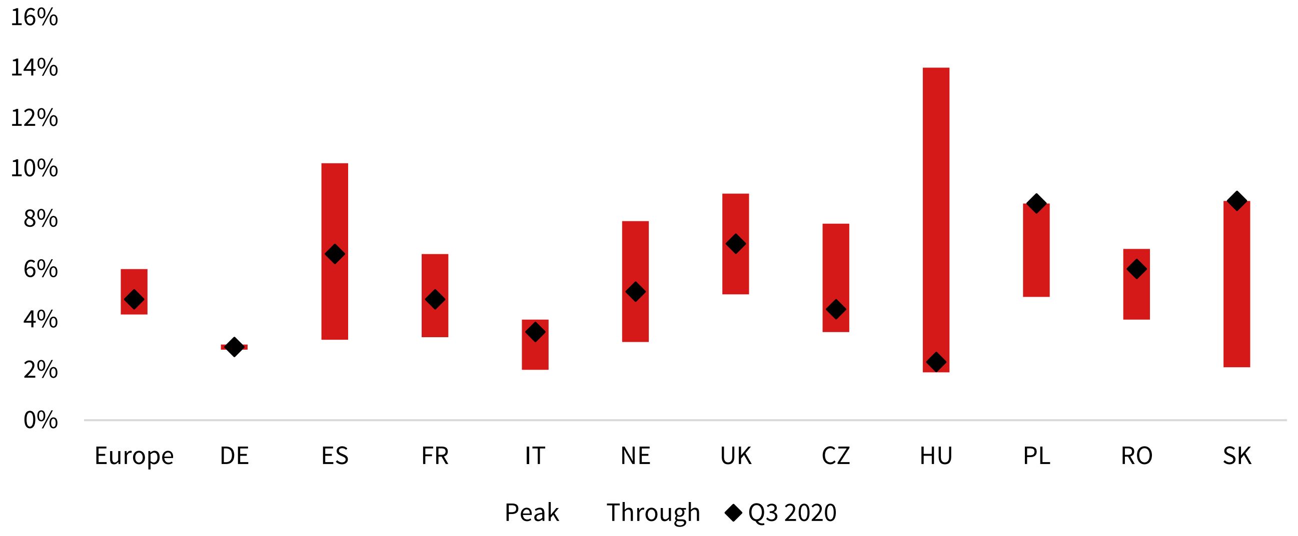


Source: JLL, October 2020

Note: Romanian data is based on the Bucharest market. Hungarian data is based on the Greater Budapest region.

The chart below depicts the minimum and maximum levels of vacancy rates in individual logistics markets between 2015 and Q3 2020 and the level as of the end of September 2020. Whilst the Czech Republic and Hungary are near the minimum or at the lower end of the range, Poland, Romania and Slovakia are close to or at their maximum levels over this period. Western European markets including Spain, France, the UK and the Netherlands are in the middle of their ranges over this period. Italy is close to its upper end of the range.

Logistics space, Vacancy rate spread, 2015-Q3 2020

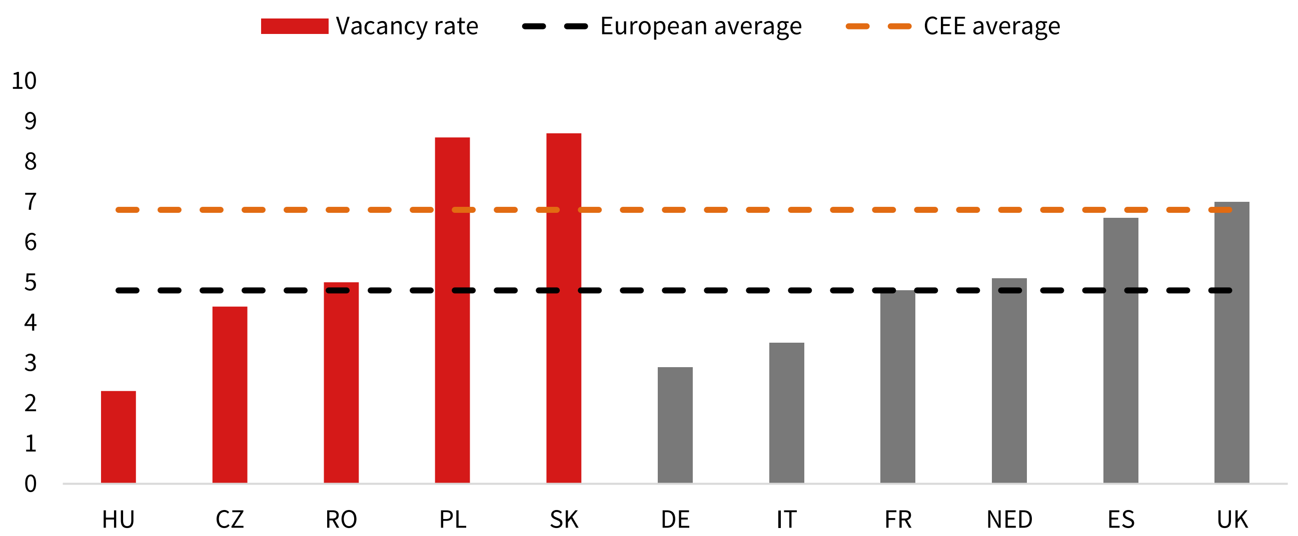


Source: JLL, October 2020

Note: Romanian and Hungarian data based on their respective capital cities markets. German vacancy rate due to low transparency of the market is estimated.

As of Q3 2020, the aggregated vacancy rate for CEE countries stood above the European average mainly due to the Polish market which is the largest logistics market in the region and currently has a higher vacancy rate than its CEE peers. Excluding Poland, the aggregated average for the region would stand at 4.9% as opposed to 6.8% including Poland.

Vacancy rate (%) in CEE and selected Western European countries as of September 2020

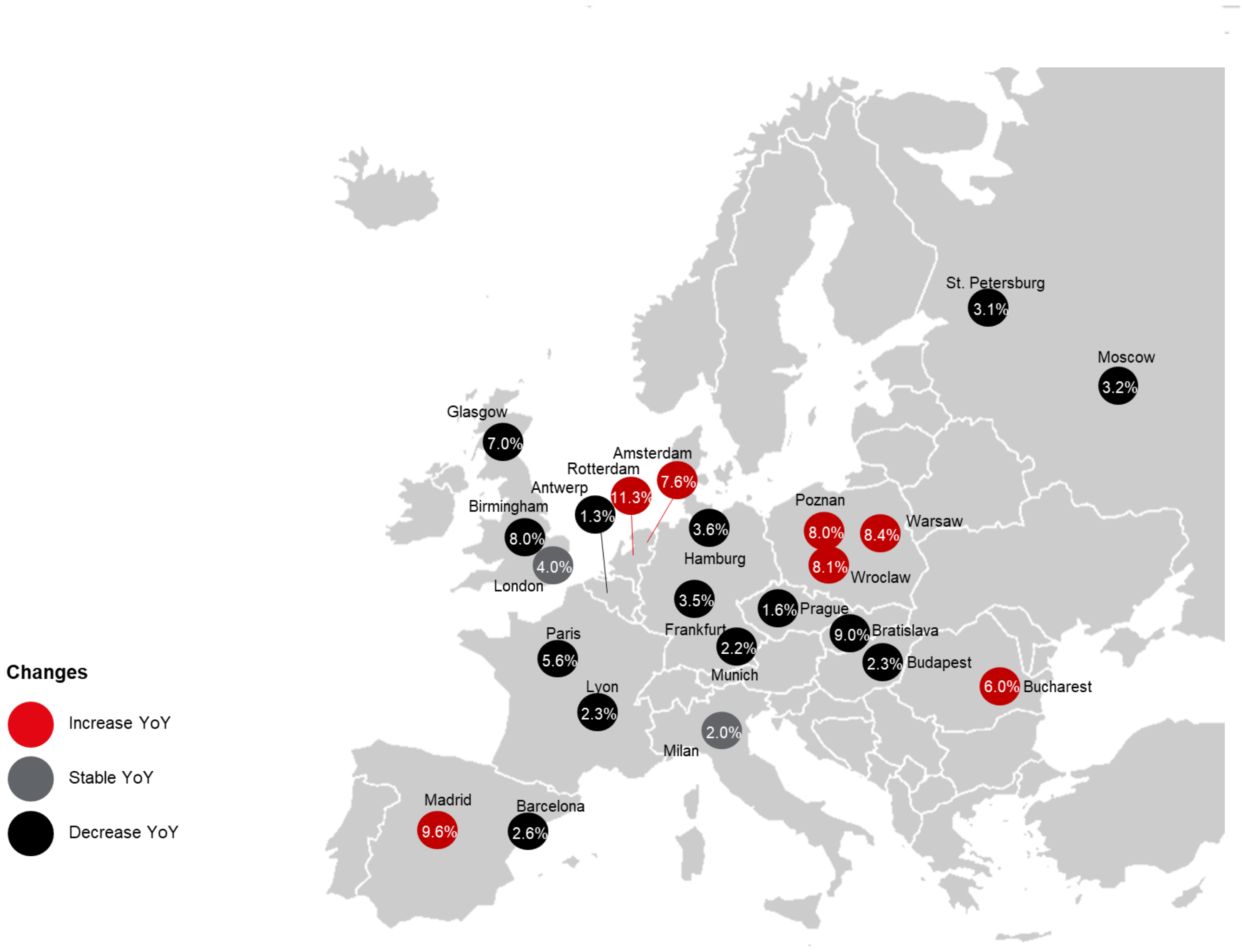


Source: JLL, Q3 2020

Note: Hungarian data is based on the Greater Budapest region. German vacancy rate due to low transparency of the market is estimated.

During Q3 2020, out of 23 key European city logistics markets, more than a half recorded a decrease in their vacancy rate compared to a year ago. One of the lowest vacancy rates was registered in Antwerp (1.3%), followed by Prague standing at 1.6%. As pictured on the map below, the vacancy rate declined y-o-y also in Budapest and Bratislava; on the other hand in the Polish markets the vacancy rate increased as well as in the Netherlands and Madrid.

Logistics vacancy rate in key European markets as of September 2020



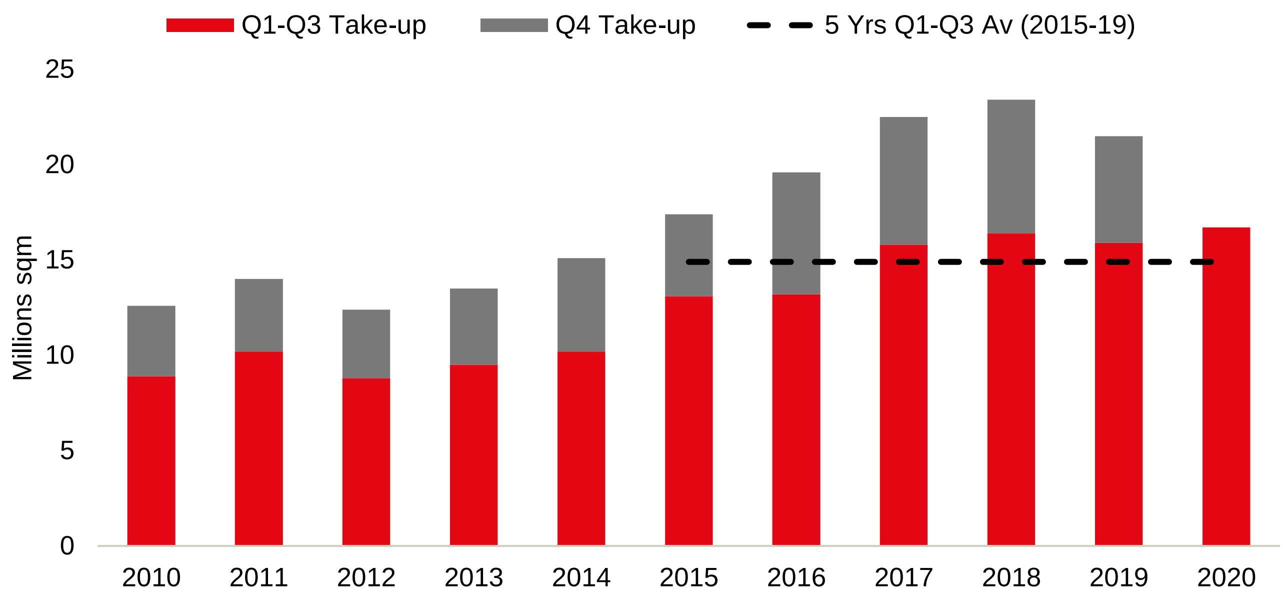
Source: JLL, Q3 2020

4.2 Demand dynamics

Logistics take-up in Europe (based on the core 11 markets) increased for six consecutive years between 2013 and 2018 inclusive to peak at 23.4 million sqm in 2018. This was the highest annual level since our records (which date back to 2008) began. Take-up slightly declined in 2019 to 21.4 million sqm, yet this was still the third best year on record after 2018 and 2017.

Logistics take-up in Europe remained robust over the first three quarters of 2020 despite constraints caused by the Covid 19-pandemic. In Q3 2020, with the easing of Covid-19 measures and the opening of the economies across Europe, take-up in Europe reached a new quarterly record, driven by record numbers in Germany, Italy, Spain and the UK. Overall, in the first nine months of 2020, approximately 16.7 million sqm of logistics space was leased, a 5% improvement on Q1-Q3 2019 levels. Compared to the 5-year average (Q1-Q3 2015 - 2019), take-up was 12% higher.

Logistics take-up in Europe

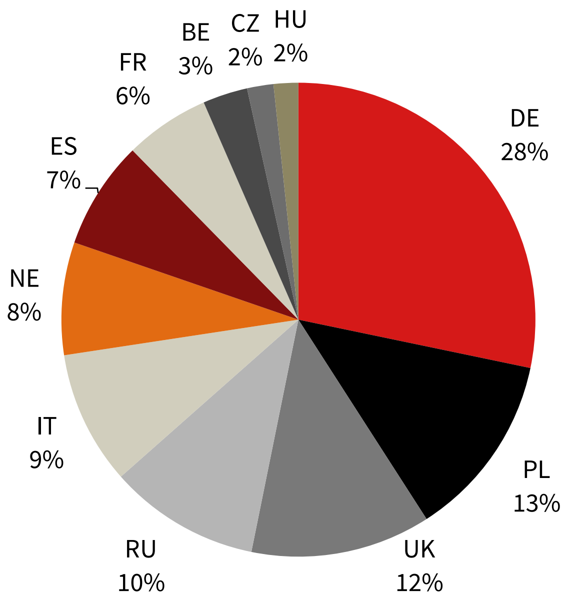


Source: JLL, Q3 2020

Note: Units >5,000 sqm (UK >10,000 sqm) in 11 countries (France incl. only the four dorsal markets Lille, Paris, Lyon and Marseille), excluding renegotiations.

During Q1-Q3, Germany followed by Poland and UK were the leading markets in terms of logistics demand accounting for more than 50% of the take-up in Europe overall.

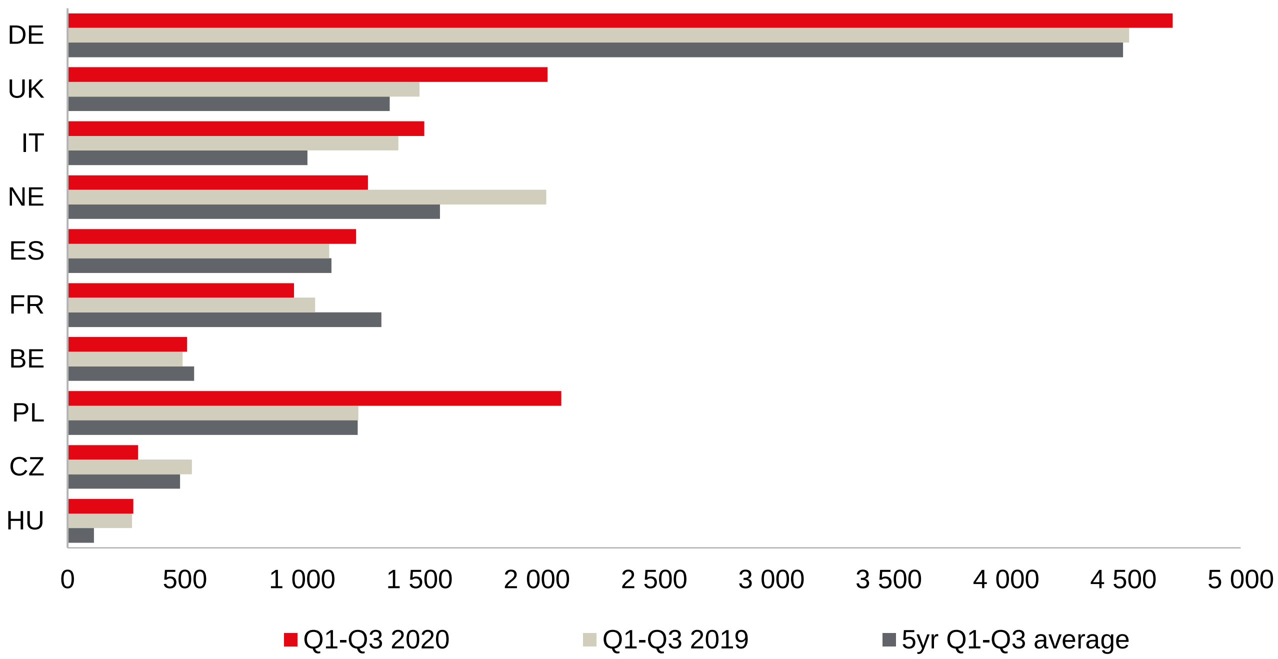
Logistics take-up by country in Q3 2020



Source: JLL, Q3 2020

Note: Units >5,000 sqm (UK >10,000 sqm) in 11 countries, (France incl. only the four dorsal markets Lille, Paris, Lyon and Marseille), excluding renegotiations.

Logistics take-up by country (Thousand sq m)



Source: JLL, October 2020

Note: Units >5,000 sqm (UK >10,000 sqm) in 11 countries (France incl. only the four dorsal markets Lille, Paris, Lyon and Marseille), excluding renegotiations.

As noted above, some countries in Western Europe (Germany, Italy, Spain and the UK) posted record take-up in Q3 2020. Exceptionally strong demand was registered in the **UK** with Q3 record levels which brought Q1-Q3 take-up levels to over 2 million sqm exceeding both 2019 levels as well as 5-year average (Q1-Q3 period). Take-up was fuelled by demand from retailers who stood behind 55% of the total take-up, almost equally split between units taken from retail companies in general and specifically for e-fulfilment activity.

The **German** logistics market recorded take-up of approximately 4.7 million sqm (including owner-occupiers and lettings) in Q1-Q3 2020, slightly above the corresponding figure for 2019 and 5% above the 5-year average. Take-up over the first nine months of 2020 in Germany was driven by a record level of nearly 2 million sqm taken in Q3 alone, a new quarterly record and 34% higher if compared to the average quarterly take-up over the past five years (2015-2019). In the first nine months, the strongest demand in the Big 5 (Berlin, Düsseldorf, Frankfurt, Hamburg and Munich) came from retailers which accounted for approximately 36% of take-up. Manufacturers and distribution/logistics companies accounted for a further 27% and 25% of take-up, respectively.

In **Italy**, take-up in Q1-Q3 2020 reached around 1.5 million sqm, 8% ahead of the same period of 2019 and 49% above the 5-year average (Q1-Q3 period). The market recorded 75 transactions, just under half of them were related to assets below 10,000 sqm, confirming the growing interest for smaller buildings. The market was characterized by a decrease of demand from manufacturing and retail companies in favour of e-commerce and 3PLs.

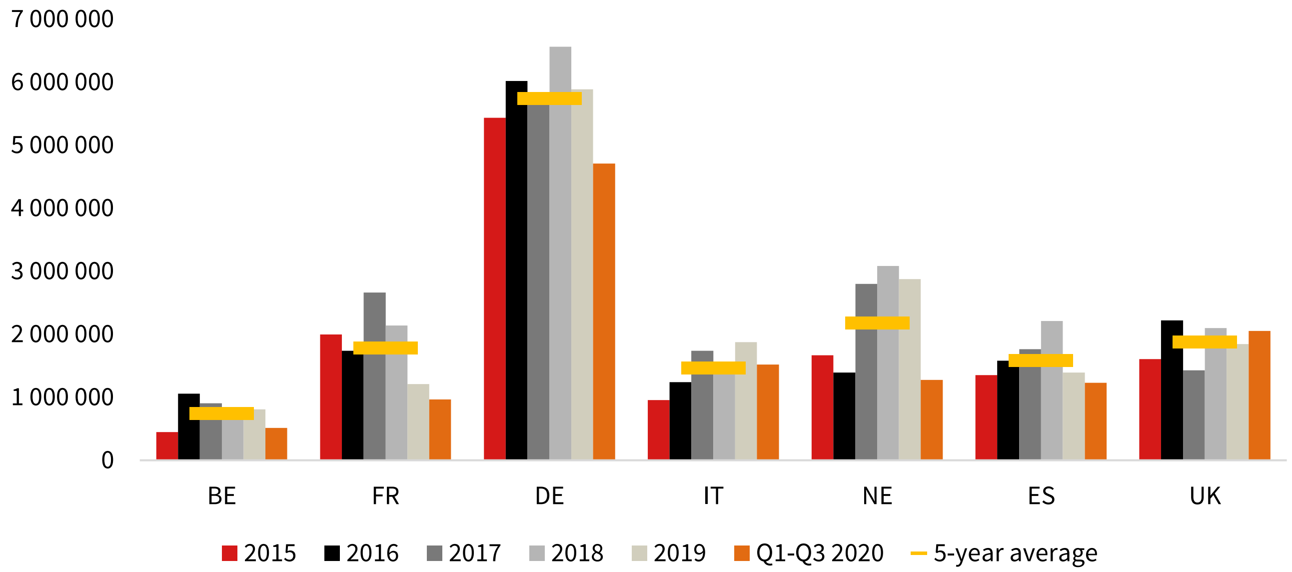
In **Spain**, after low logistics take-up numbers recorded in Madrid during Q2 2020, take-up rebounded in Q3 to over 400,000 sqm. This figure implies a growth of 50% y-o-y. The accumulated figure for the year in Madrid is 665,000 sqm, which is already higher than the total take-up figure for 2019. In Barcelona the logistics take-up during the third quarter was somewhat more moderate. The accumulated logistics take-up for the first nine months of the year was close to 300,000 sqm, representing a decline of almost 40% compared to the same period in 2019. The demand was predominantly driven by e-commerce and supermarket chains.

In **France**, a decrease in take-up activity (including the four dorsal markets of Lille, Paris, Lyon and Marseille only) was registered during first three quarters of 2020, especially for warehouses over 10,000 sqm which showed a decline in take-up of 9% compared to last year’s figure. Based on the number of transactions, it shows the market is active but major transactions with units over 40,000 sqm declined whilst warehouses of 10,000 to 20,000 sqm saw sustained activity.

In the **Netherlands**, short-term demand increased during the outbreak of the pandemic, whilst long-term demand was briefly put on hold due to uncertainty. Retailers, supermarkets, pharma and online sales companies all showed growing demand. Nevertheless, take-up in Q1-Q3 2020 remained moderate. It stood at just below 1.3 million sqm, 37% down if compared to the same period last year. Nevertheless, demand for warehouse space is expected to be sustained particularly due to e-commerce, including online grocery shopping.

In **Belgium**, logistics take-up remained resilient with volumes at around 510,000 sqm in the first three quarters of 2020. Whilst this was 4% higher if compared to the same period last year, it was still 6% below the 5-year average highlighting continued lower demand levels in the market. Demand was driven by rising take-up of smaller units whilst temporary leases also increased.

Logistics take-up in Western European countries, 2015 – Q3 2020



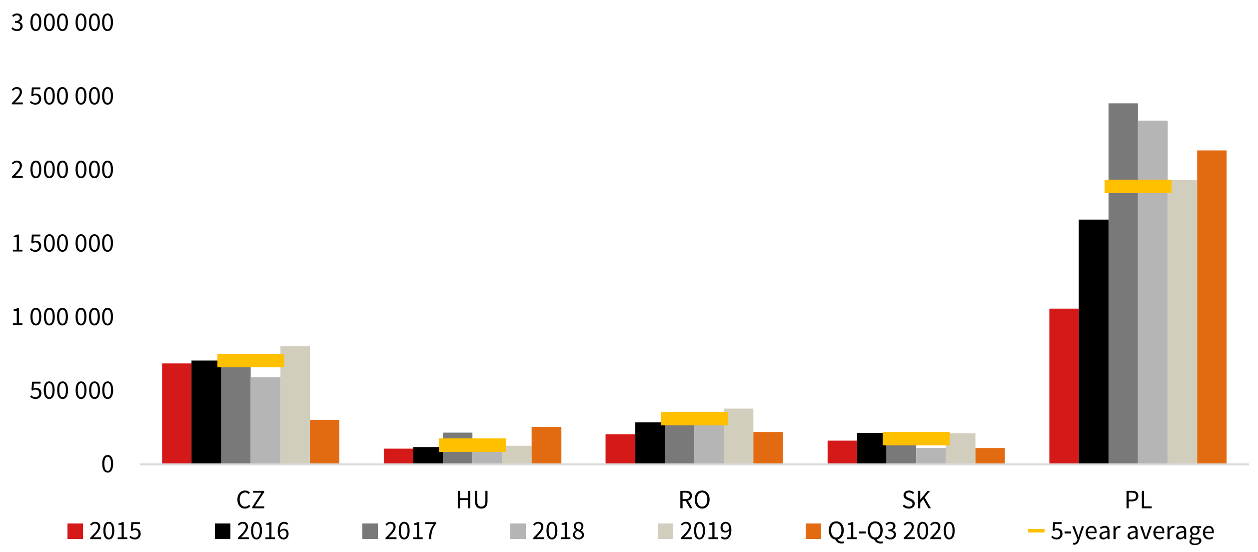
Source: JLL, October 2020

Note: Units >5,000 sqm (UK >10,000 sqm) in 11 countries (France incl. only the four dorsal markets Lille, Paris, Lyon and Marseille), excluding renegotiations.

In CEE markets, there are three countries which are currently experiencing above average take-up - Poland, Hungary and Romania.

As of September 2020, logistics take-up in **Poland** had already surpassed both the 5-year full-year average and 2019 levels by more than 11% and 8% respectively. Gross take-up reached 2.1 million sqm for units above 5,000 sqm and excluding lease renewals, the second highest level of take-up across Europe. This figure increases to 3.4 million sqm including lease renewals / expansions. The most active business sectors include retail chains, e-commerce and logistics businesses. Short-term demand was also significant, involving mainly retail chains, FMCG and 3PL companies, which are having to meet increased demand for products ordered online.

Logistics take-up in CEE countries, 2015 – Q3 2020



Source: JLL, October 2020

Note: The data includes only net take-up above 5,000 sqm. Hungarian data refers to the Greater Budapest region.

In **Hungary**, take-up in Q1-Q3 including units of 5,000 sqm and over but excluding lease renewals reached 255,000 sqm showing an increase of more than 100% compared to the same period of last year. Including all types of lease contracts, net take-up amounted to 427,680 sq m in Q1-Q3 2020, which is 30% higher than the figure registered in the same period last year. In Q1 – Q3 2020 the leading sector in terms of net take-up (including transactions below 5,000 sqm) were distribution and logistics companies (33%), followed by production (18%) and retailers (16%).

In **Romania**, take-up (over 5,000 sqm) during the first nine months of 2020 reached almost 233,700 sqm, approximately 9.9% above the 212,700 sqm recorded during the same period of 2019. In Q3 total net rental demand (over 5,000 sqm) for modern industrial and logistics spaces in Romania summed to approximately 51,500 sqm. In Q3 2020, the most active sectors included FMCG (86%), followed by E-commerce (14%).

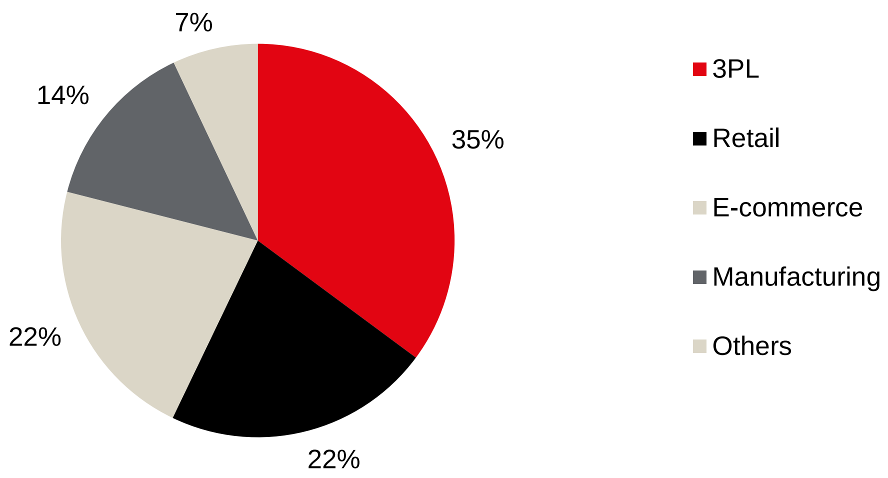
In **the Czech Republic**, logistics take-up was more moderate, following the record year of 2019. In the first nine months of 2020 take-up including units of 5,000 sq m and over but excluding lease renewals reached 303,000 sqm, remained 43% lower if compared to the same period last year. Take-up including deals below 5,000 sqm reached 442,600 sqm, a decrease of 41% on Q1-Q3 2019. In Q1 – Q3 2020 the leading sectors in terms of take-up (including transactions below 5,000 sqm) were manufacturing and 3PL, both accounting for 40%, followed by distribution companies (20%).

The **Slovak** industrial market which recorded a strong level of take-up in 2019 experienced a slowdown in demand during Q1-Q3 2020. In the first nine months of the year take-up for new space above 5,000 sqm reached almost 111,200 sqm, a decline of 39% on the same period last year.

Project Carrera

Across JLL's core 11 European country markets e-commerce is a significant driver of take-up and it continues to gain market share. In the first nine months of 2020 it accounted for 22% of all floorspace taken up. Overall, 3PL companies were the most active in taking floorspace at 35% of the European total take-up, followed by retailers, at 22%.

Logistics take-up by sector, Q1-Q3 2020



Source: JLL, October 2020

4.3 Rental development

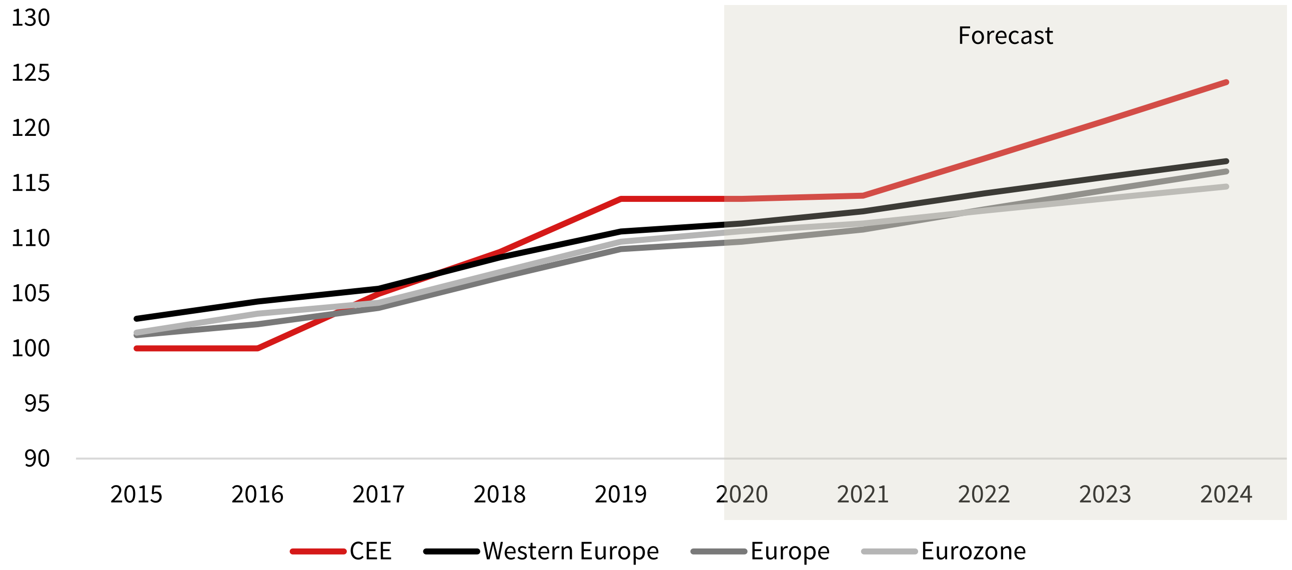
Despite the Covid-19 pandemic, robust demand for logistics space in Europe and low vacancy rates meant prime headline rents remained stable in most major European logistics markets over the first nine months of 2020.

At September 2020, the most expensive European market was London with an annual rental level at nearly 184 EUR per sqm. It was followed by Birmingham, Munich and Amsterdam, all with annual rents between 85 - 86 EUR per sqm. Across the CEE, Prague and Budapest are the most expensive markets standing at 57 EUR per sqm per year.

Logistics prime rents and rental growth in selected European markets (EUR/sqm/pa)

Source: JLL, Q3 2020

Prime Logistics Rental Development in CEE vs. Western Europe, Europe and Eurozone (Index 2014=100)



Source: JLL, Q3 2020, forecast November 2020

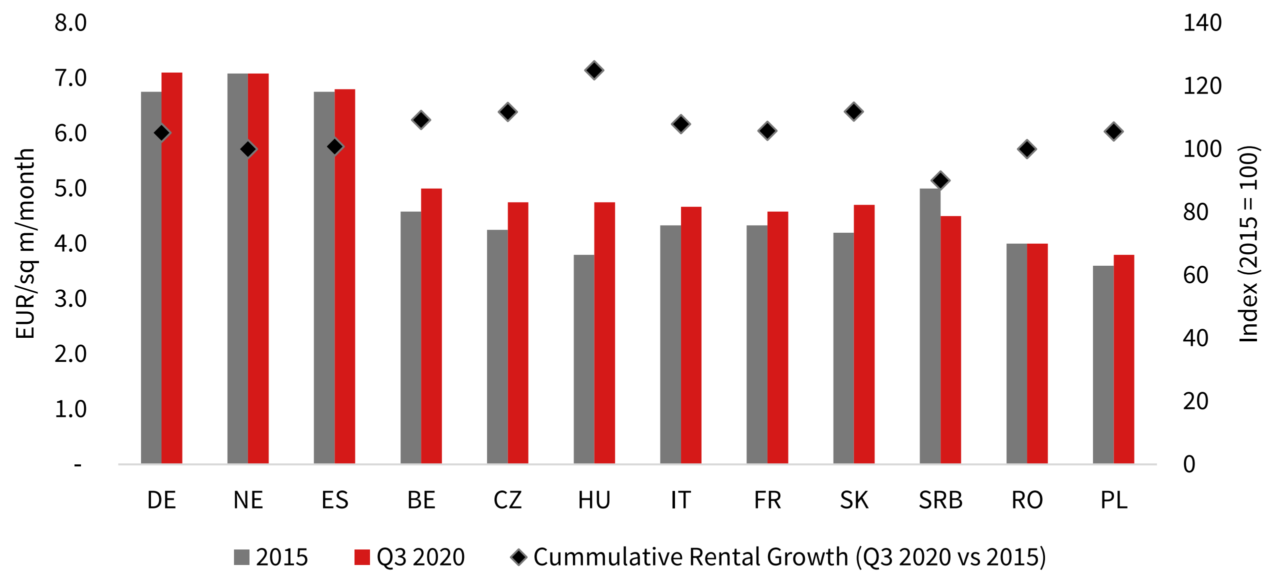
Note: The chart above is based on the following market statistics: Western Europe data includes 21 key logistics markets, European data includes 25 key markets, Eurozone data includes 15 key markets and CEE includes market data for Prague, Warsaw and Budapest.

In the last five years (2015-2019), the average rental growth in the three main CEE countries (Poland, Czech Republic and Hungary) outpaced the rental growth in Western European markets, cumulatively growing by 13.6% as opposed to 10.6% for the period. On an annual average basis, prime rents in the CEE markets grew by 2.6% compared with 2.0% in Western Europe.

Rental growth was subdued in CEE in 2015 and 2016, but picked up during 2017 influenced by stronger economic growth and robust demand.

Between 2015 and Q3 2020 the highest cumulative growth was recorded in Hungary where the rents increased by 25% followed by the Czech Republic and Slovakia with cumulative growths of approximately 12% each and Belgium with the growth for the period exceeding 9%.

Prime logistics rents in selected Western European and CEE countries



Source: JLL, Q3 2020

Across Europe the highest rental increase over the five years 2015-2019 was registered in Ireland with Dublin rents growing by 11.2% per annum during the period, followed by Hungary where rents in Budapest increased by 5.0% p.a., Manchester in the UK (+4.5% p.a.) and Prague in the Czech Republic recorded a 3.75% p.a. increase over the period.

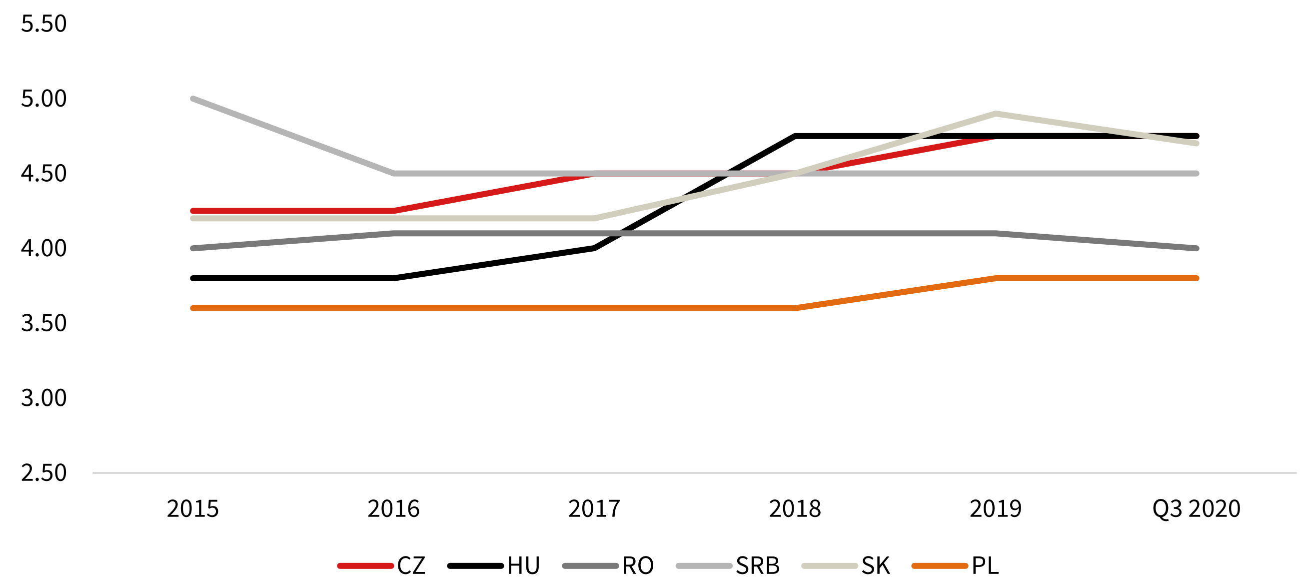
Prime logistics rents as of September 2020 and growth over five years 2015-2019

Country	Logistics Market	EUR/sqm/month	Average Rental Growth per annum 2015-2019
Czech Republic	Prague	4.75	3.75%
Hungary	Budapest	4.75	5.0%
Poland	Warsaw	3.80	1.1%
Belgium	Brussels	5.00	0.0%
France	Paris	4.60	1.2%
Germany	Munich	7.10	1.8%
Italy	Milan	4.65	3.4%
Netherlands	Amsterdam	7.10	0.0%
Spain	Barcelona	6.80	0.9%
United Kingdom	London	15.35	1.2%

Source: JLL, Q3 2020

In the CEE, as of Q3 2020, the highest rental levels were registered in Hungary and the Czech Republic where they reached 4.75 EUR per sqm per month. Since the end of 2019, prime rents slightly decreased in Slovakia, dropping from 4.90 to 4.70 EUR, after a steep increase from the end of 2017 till 2019. The lowest prime rents are seen in Poland, due to a very competitive market, and as of Q3 prime rents there stood at 3.80 EUR per sqm per month. In Romania, prime rental levels were almost stable in the last 5 years ranging between 4.00 – 4.10 EUR per sqm per month. Serbia has also registered a stable rental level of 4.50 EUR per sqm per month since 2016.

CEE prime logistics rents (EUR/sq m/month)

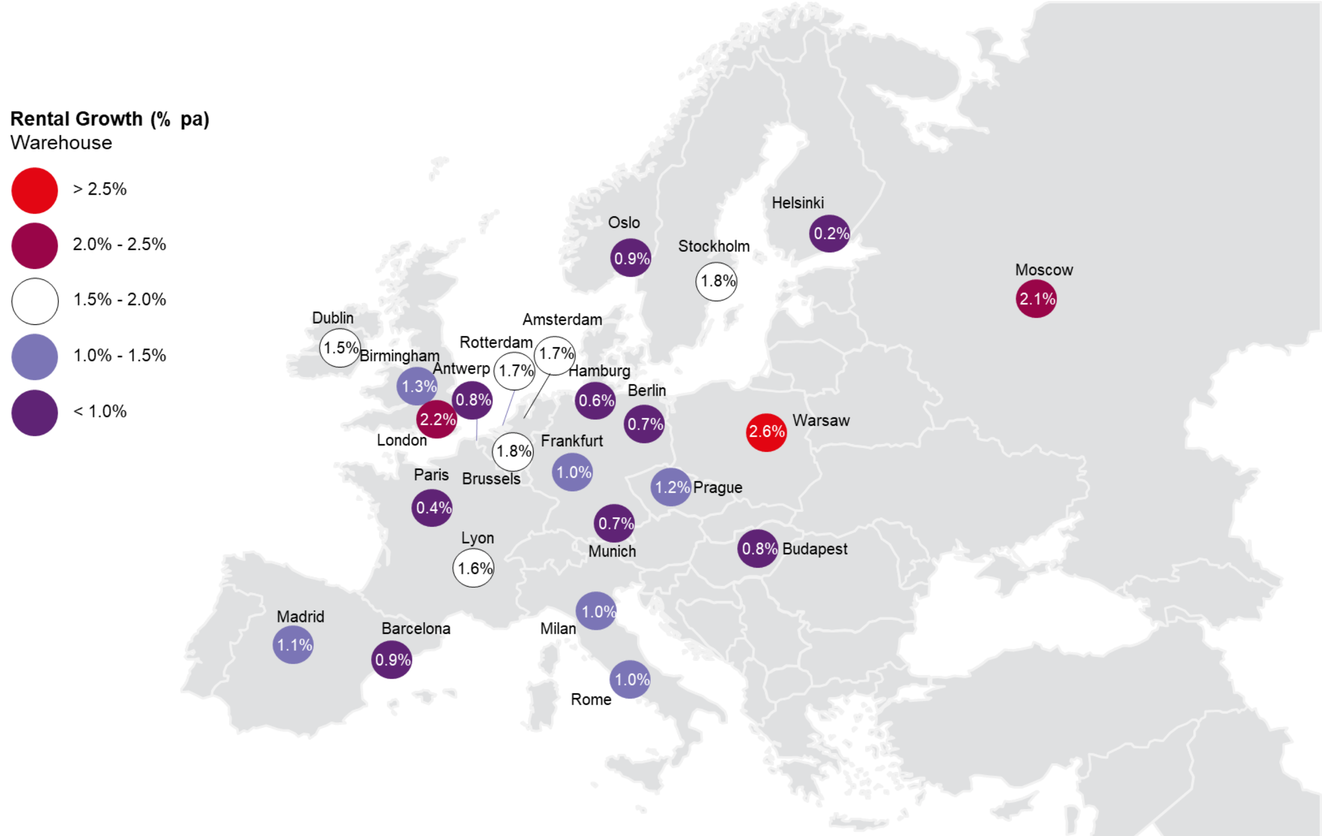


Source: JLL, Q3 2020

Based on the recent **JLL forecast** (November 2020), in the next five years the trend of stronger rental growth is expected to continue in CEE (here reflecting the Czech Republic, Poland and Hungary) with rental levels forecasts to grow on average at 1.8% as opposed to 1.1% in Western Europe during 2020 to 2024. These forecasts are model-based and largely driver by economic variables but also incorporate market intelligence; they are updated every three months.

Based on JLL forecasts (November 2020), the highest prime rental growth in the next 5 years is predicted in Warsaw, followed by London and Moscow. Prague is expected to grow by 1.2% on average p.a. in the next 5 years, whilst Budapest is forecast to reach growth of 0.8% p.a. over the period below the European average of 1.3% p.a., though in case of Prague the growth exceeds the Eurozone average of 0.9% p.a.

Prime Industrial Rental Growth 2020-2024



Source: JLL, November 2020

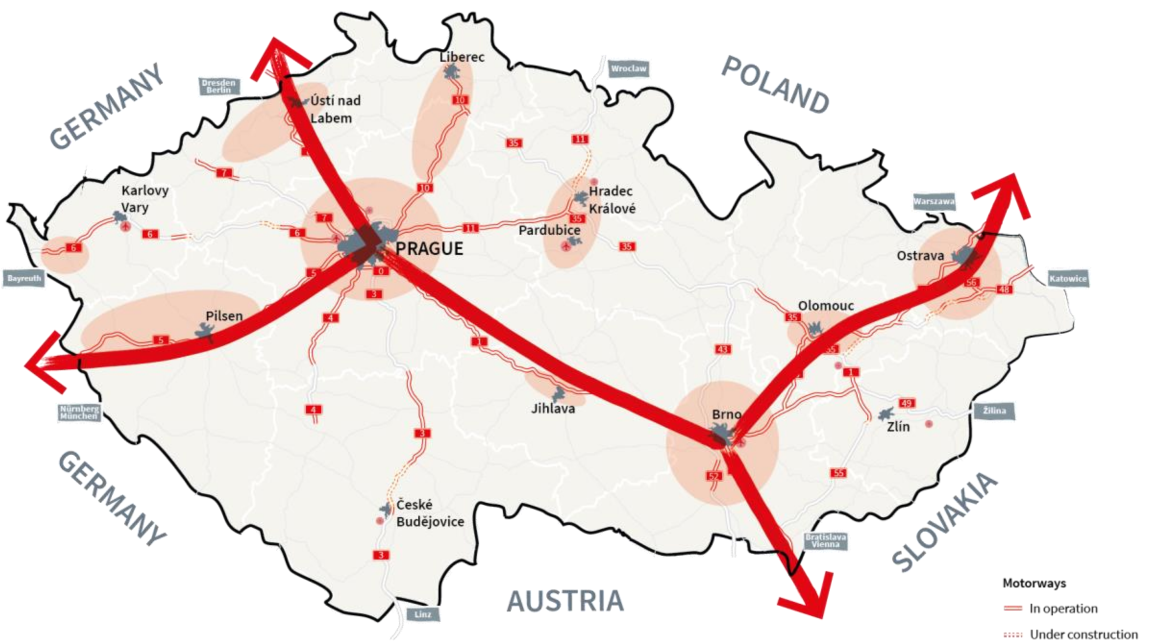
5 Czech Industrial Occupational Market[15]

5.1 Supply dynamics

5.1.1 Main industrial hubs and corridors within the Czech Republic

The Czech Republic is situated in the centre of Europe representing a gateway between the East and the West. Due to its developed motorway network it represents an attractive location for logistics companies servicing their customers both in the Western European and other CEE countries. In addition, the country's industrial tradition makes it a preferred location for many manufacturing companies as well.

Czech Republic Major Transport Corridors and Logistics Hubs



Source: JLL, Q3 2020

15 Czech industrial market data refers to modern stock of logistics and light industrial use of A Class quality owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data includes transactions of all sizes. Therefore, the data in this section is not comparable with the data in the European Industrial Occupational Market section (Section 4) where take-up refers to net take-up (excluding renewals) and is based on transactions involving units of 5,000 sqm and above only.

Overall Industrial Market Statistics of the Czech Republic (Q3 2020)	
Total stock	8,978,600 sqm
New supply completed in Q1 – Q3 2020	547,000 sqm
Space Under Construction	372,600 sqm
Gross Take-up in Q1 – Q3 2020	972,400 sqm
Net Take-up in Q1 – Q3 2020	442,600 sqm
Vacancy rate	4.4%
Prime rent	4.75 EUR/sqm/month

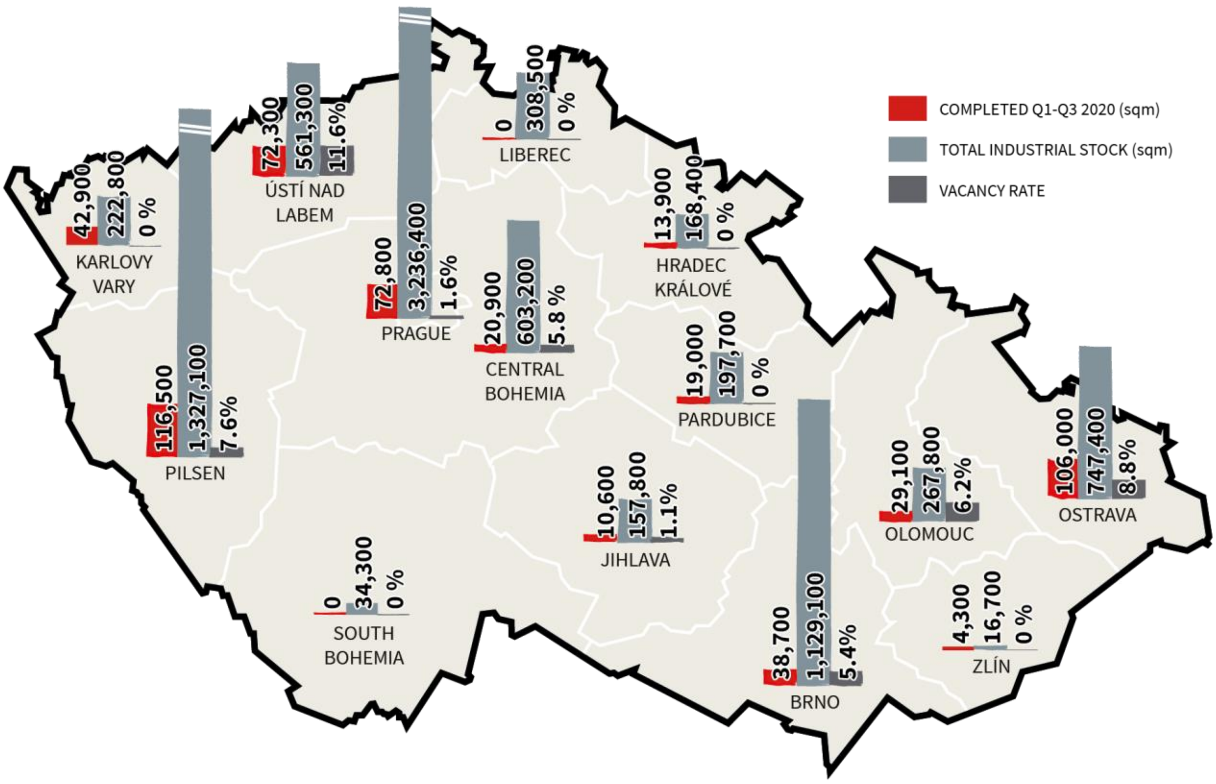
Source: JLL, Industrial Research Forum, Q3 2020

5.1.2 Stock and supply

The industrial / logistics market in the Czech Republic is rapidly growing as demand continues to outpace supply. Since 2015 the modern industrial stock in the country has increased by nearly 3.8 million of new logistics and light industrial space, which equates to almost 650,000 sqm of new industrial supply on average per annum. The Czech Republic is a primary beneficiary of the extensive and increasingly interconnected trade activity across Europe and with Europe’s largest economy, Germany.

At the end of Q3 2020, the total modern A-class industrial stock in the Czech Republic (owned by developers and investors) reached 8.99 million sqm. Greater Prague is the largest industrial market in the country with a 36% share, followed by the Pilsen (15%) and South Moravian (13%) regions.

New Supply and Total Stock Distribution in the Czech Republic



Source: JLL, Industrial Research Forum, Q3 2020

The Czech industrial and logistics market has largely benefitted from the overall economic prosperity in the last five years when both manufacturing companies and customer demand including growing e-commerce sector were driving the surge for logistics/industrial space. With outbreak of the pandemic, the market entered constrained conditions on strong fundamentals: record demand in 2019, historical low vacancy and decreasing levels of speculative construction.

During Q1 - Q3 2020, industrial stock in the Czech Republic increased by approx. 547,000 sqm, approaching a milestone of 9 mil. sqm of modern industrial stock. Compared to Q1 – Q3 2019 results, new supply, despite the COVID-19 pandemic, increased by 12%, most probably reflecting on a very robust 2019 take-up levels.

Most of the new supply was situated in the Pilsen region with 116,500 sqm built area, followed by the Moravia-Silesia region with 106,000 sqm completed space and Greater Prague accounting for 72,800 sqm.

Overall, CTP has registered the largest share on new supply in the first nine months of 2020, accounting for 21% of the total new deliveries with the largest portion being situated in the Pilsen region (8% of the regional total). Panattoni ranked second with 17% share on the national total, followed by P3 with nearly 16%.

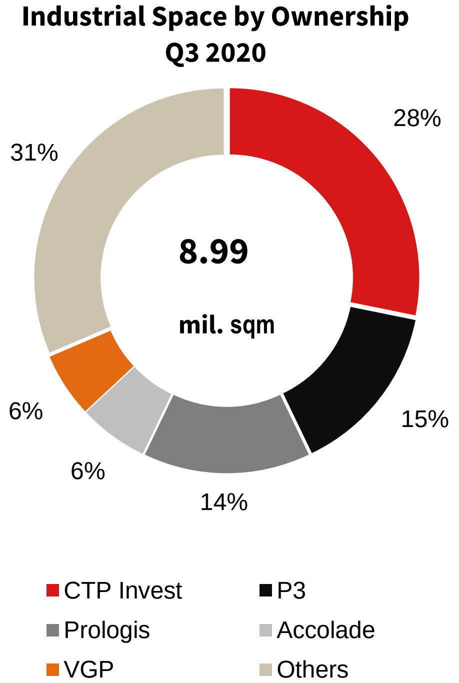
TOP Industrial Parks in the Czech Republic

Logistics park	Region	Floor space (sqm)	Occupied area (Q3 2020)
CTPark Brno	South Moravia	436,100	96%
CTPark Bor	Pilsen	420,800	94%
P3 Prague Horní Počernice	Greater Prague	385,000	96%
Prologis Park Prague-Jirny	Greater Prague	349,000	100%
CTPark Ostrava	Moravia-Silesia	275,000	100%
Prologis Park Prague-Rudná	Greater Prague	240,100	97%
CTPark Plzeň	Pilsen	227,600	99%
CTPark Modřice	South Moravia	177,800	93%
P3 Prague D1	Greater Prague	176,400	100%
SEGRO Logistics Park Prague	Greater Prague	170,600	99%

Source: JLL, Industrial Research Forum, Q3 2020

Warehouse Ownership Split

At the end of Q3 2020, the largest Czech logistics market players include CTP with 28% market share, followed by P3, Prologis and Accolade, according to research undertaken by the Czech Industrial Research Forum[16].



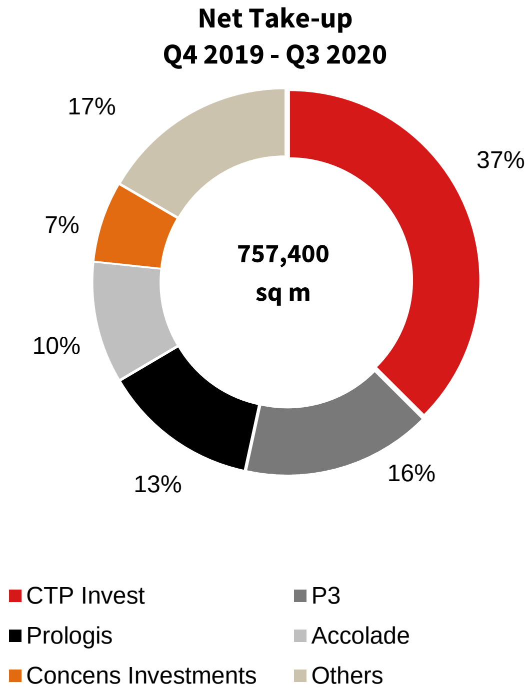
Source: JLL, Industrial Research Forum, Q3 2020

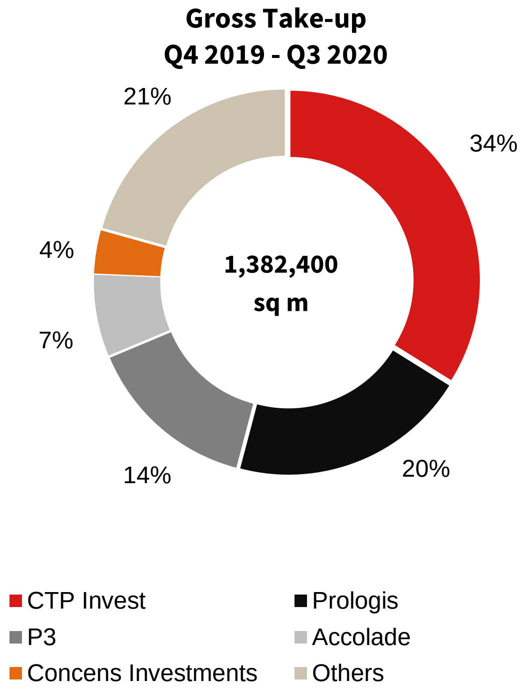
Note: Based on owned use-permitted industrial space (class A)

Industrial Space by Net and Gross Take-up

According to the Industrial Research Forum, over the 12 months to the end of September 2020, the space owned by CTP secured 34% of total gross take-up, followed by Prologis, P3 and Accolade. In terms of net take-up, CTP's share is even higher at 37% of the total net take-up, followed by P3 (16%) and Prologis (13%).

16 The Industrial Research Forum was established in 2010 with its aim to provide clients with consistent, accurate and transparent data about the Czech Republic industrial real estate market. The members of the Industrial Research Forum, CBRE, Colliers International, Cushman & Wakefield and JLL, share non-sensitive information and believe the establishment of the Industrial Research Forum will enhance transparency on the Czech industrial market.



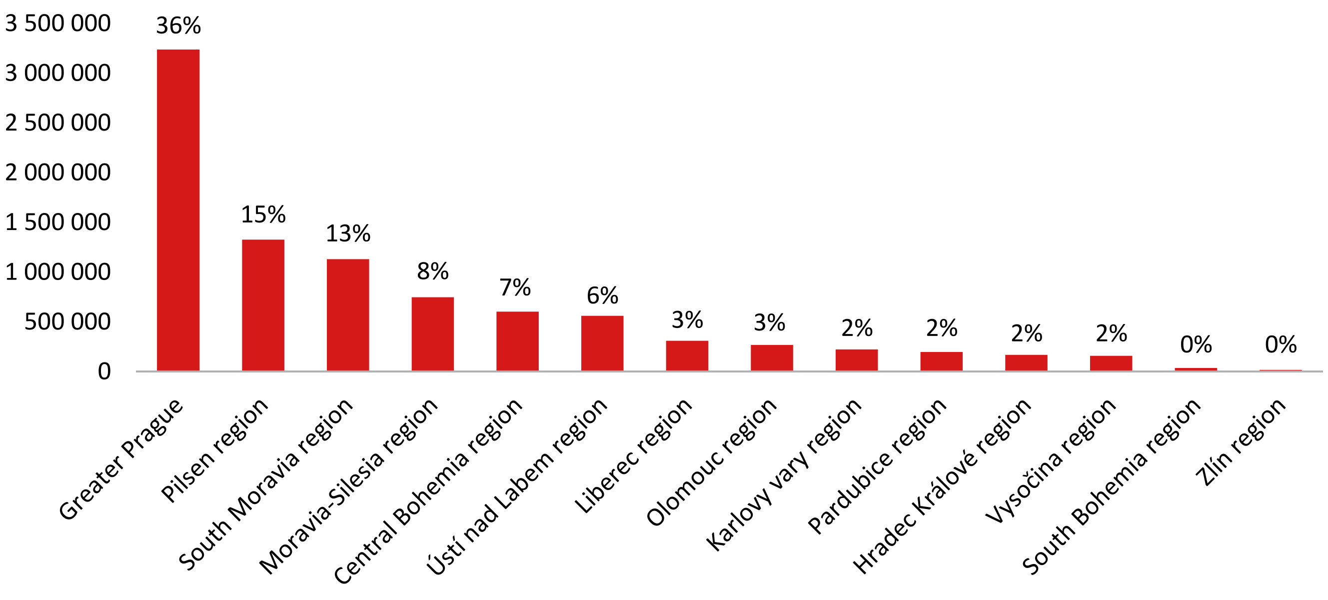


Source: JLL, Industrial Research Forum, Q3 2020

Note: Based on owned use-permitted industrial space (class A)

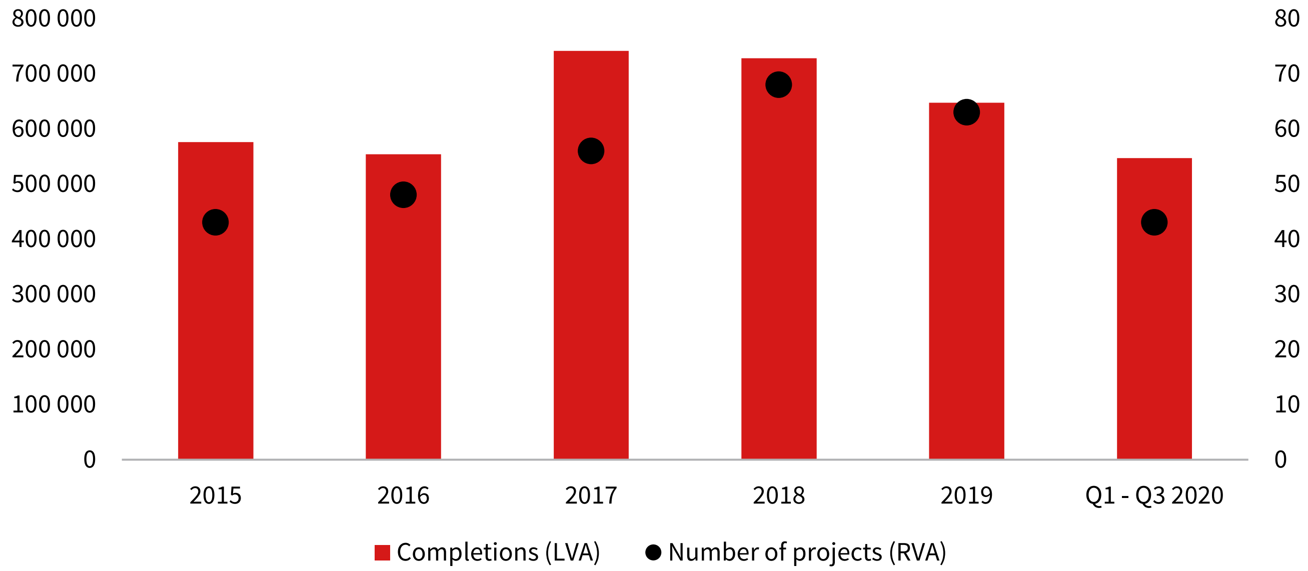
The majority of the total modern industrial stock to let is concentrated in the Greater Prague, Pilsen and South Moravia regions, which altogether account for approx. 63% of the total. All these locations have developed around strong regional economic centres and due to well-developed infrastructure, they also benefit from good access with other Czech regions as well as with neighboring countries.

Total industrial stock distribution by region in Czech Republic (sqm)



Source: JLL, Industrial Research Forum, Q3 2020

Industrial stock development and completions in the Czech Republic (sqm)



Source: JLL, Industrial Research Forum, Q3 2020

The highest new supply was registered on the market in 2017 when more than 740,000 sqm of new logistics and industrial space was delivered. The average size of the buildings range between 10,300 sqm to 13,400 sqm for the period between 2015 and September 2020. The overview of the largest projects for YTD 2020 is listed below.

Largest 5 completions in Q1-Q3 2020

Logistics park	Region	Floor space (sqm)	Leased
P3 Lovosice	Ústí nad Labem	61,000	42%
Ostrava Multimodal Park	Ostrava	48,900	22%
Panattoni Park Cheb II	Karlovy Vary	29,900	100%
Park Nošovice	Ostrava	27,700	100%
Panattoni Park Stříbro	Pilsen	25,600	100%

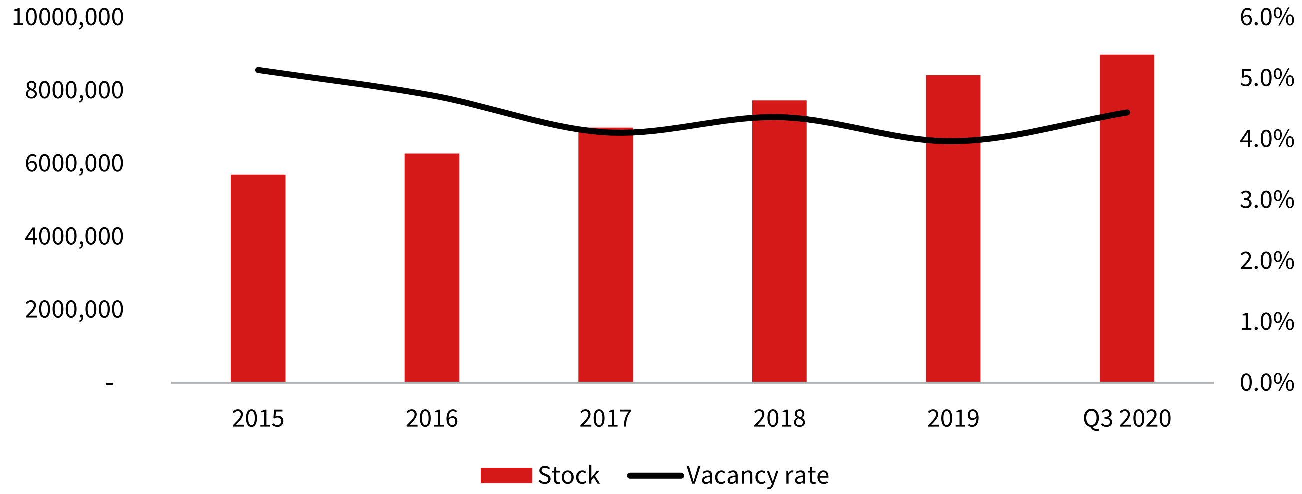
Source: JLL, Industrial Research Forum, Q3 2020

5.1.3 Vacancy

Strong ongoing demand and tight supply led to stable low vacancy rates in the last 5 years in the Czech Republic, with vacancy at levels below 5%.

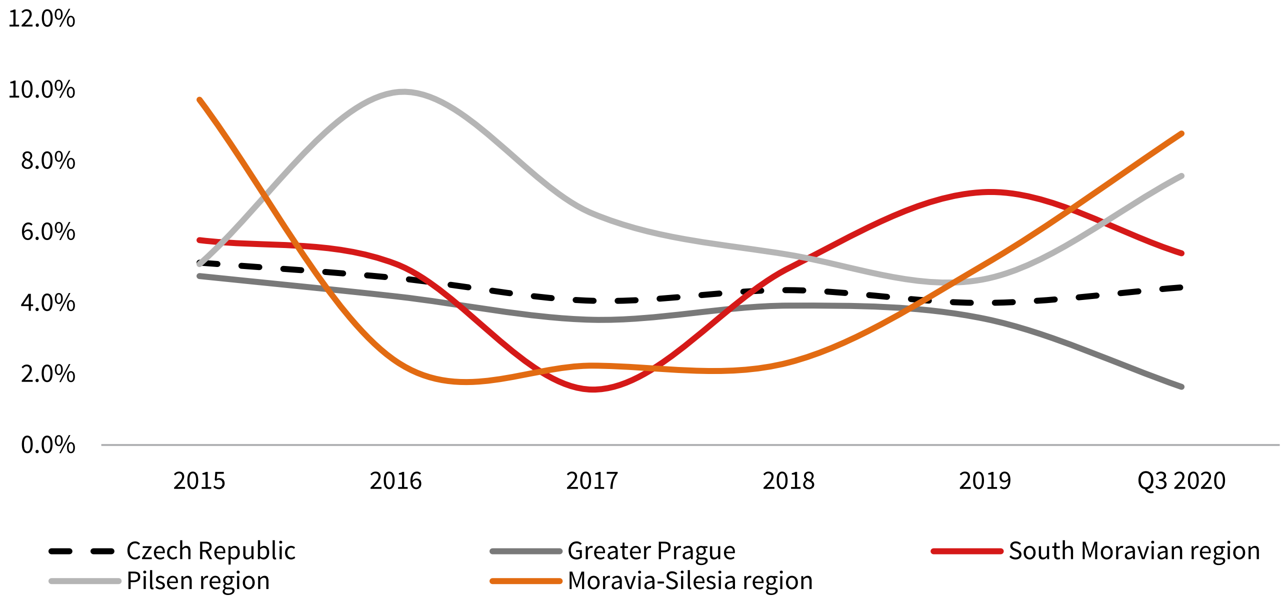
As of September 2020, the vacancy rate in the Czech Republic decreased from 4.6% in Q2 2020 to just 4.4%, representing a decrease of 20 bps q-o-q. In comparison with the same period of previous year, the vacancy increased by 20 bps. The vacancy in Greater Prague reached 1.6%, down 60 bps q-o-q, indicating extremely low supply in the Capital. Compared to Q3 2019 results, vacancy rate in the Greater Prague region dropped significantly by 190 bps.

The Czech Republic: Stock vs. Vacancy



Source: JLL, Industrial Research Forum, Q3 2020

Vacancy development in the Czech Republic and major industrial regions



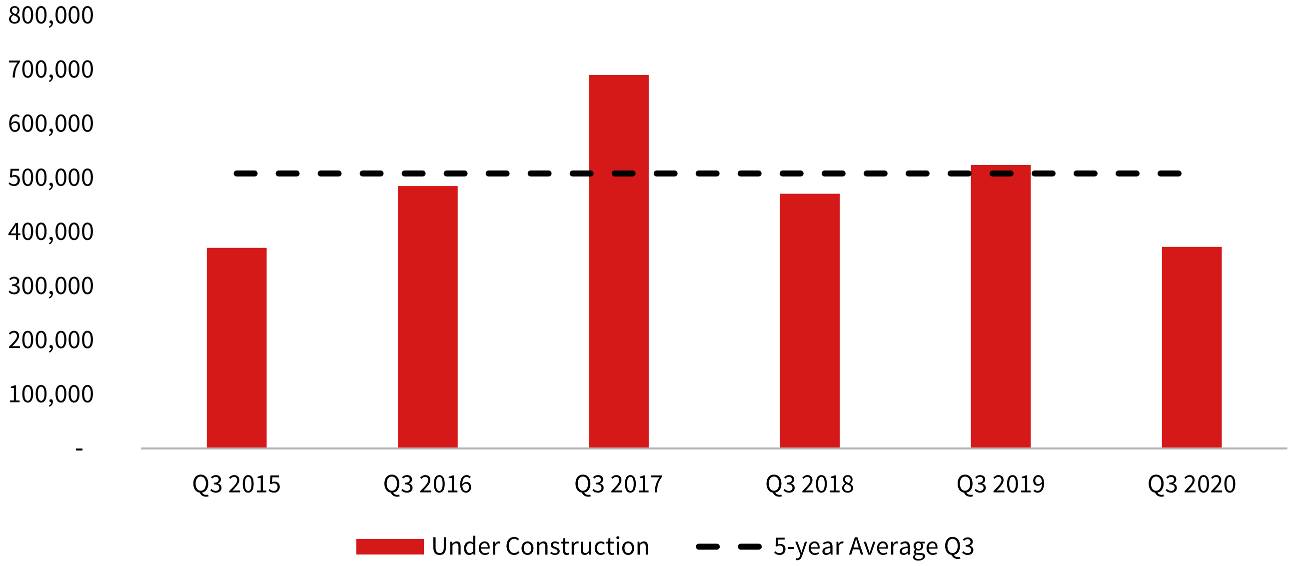
Source: JLL, Industrial Research Forum, Q3 2020

Other major Czech industrial regions have registered vacancy rates above the Czech average as of September 2020. The highest vacancy rate is currently found in the Ústí nad Labem region (11.6%) and Moravia-Silesia (8.8%) which witnessed delivery of speculative projects in the first nine months of 2020. On the other hand, out of 14 Czech regions, eight regional markets have registered vacancy rates below the Czech average vacancy (4.4 % in Q3 2020). At the end of Q3 2020 zero vacancy rates were reported by Industrial Research Forum in the Pardubice, Hradec Králové, Liberec, South Bohemia, Zlín and Karlovy Vary regions.

5.1.4 Future supply overview

In Q3 2020, the pace of construction activity slowed, for the third quarter in a row. Compared to Q2 2020, the total volume of space under construction was approximately 70,000 sqm lower and reached 372,600 sqm. Compared to the same period last year, the volume under construction decreased by approx. 150,000 sqm. Out of the total space under construction in Q3 2020, 218,500 sqm was scheduled to be delivered in Q4 2020. Compared to the 5-year Q3 average (508,100 sqm), the total space under construction decreased by 27%.

The Czech Republic: Total Volume of Projects Under Construction Q3 2015 – Q3 2020



Source: JLL, Industrial Research Forum, Q3 2020

At the end of September 2020, there were 27 projects in a construction phase. Two notable schemes commencing construction during Q1 – Q3 2020 included an extension of CTPark Bor with GLA of 62,100 sqm (pre-leased to a 3PL company, Loxxess) and an extension of CTPark Žatec with GLA of 31,400 sqm (partly pre-leased to an automotive company, Nexen Tire). An overview of the largest schemes under construction as of the end of September 2020 is provided in the following table.

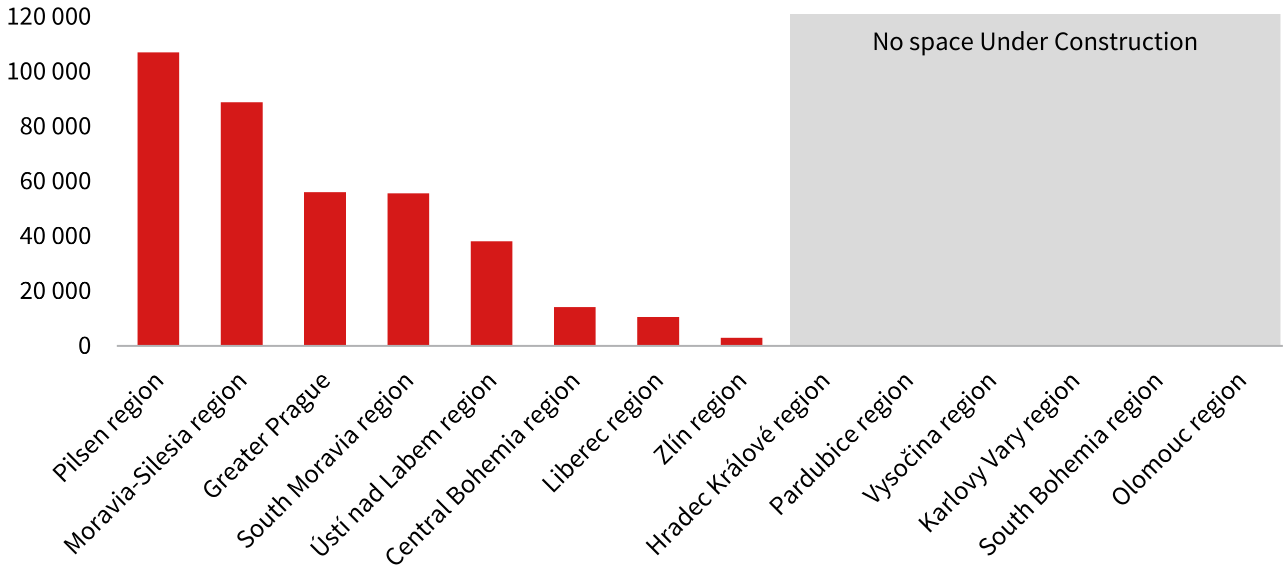
Major projects under construction in the Czech Republic (Q3 2020)

Property	Region	Planned completion	Pre-leased (% of the total)	Floorspace (sqm)
CTPark Bor	Pilsen	2021/Q2	100%	62,100
CTPark Ostrava	Moravia-Silesia	2020/Q4	93%	49,800
Brno Airport	South Moravia	2020/Q4	44%	38,500
CTPark Žatec	Ústí nad Labem	2021/Q1	37%	31,400
CTPark Ostrava Poruba	Moravia-Silesia	2021/Q3	0%	30,900
CTPark Bor	Pilsen	2020/Q4	100%	28,200
Archan Park - Brandýs nad Labem	Greater Prague	2020/Q4	0%	14,600
Pilsen West Industrial Park	Pilsen	2020/Q4	100%	12,500
CTPark Prague East	Greater Prague	2021/Q1	30%	11,800
CTPark Mladá Boleslav	Central Bohemia	2020/Q4	100%	8,200

Source: JLL, Industrial Research Forum, Q3 2020

Construction activity is currently taking place in eight out of 14 regions in the Czech Republic with the Pilsen region representing nearly 29% of the total, followed by the Moravia-Silesia region (24%) and Greater Prague (15%). Currently, there are no projects under construction in the Hradec Králové, Pardubice, Vysočina, Karlovy Vary, South Bohemia and Olomouc regions. The South Bohemian and Zlín regions have limited construction activity due to undeveloped infrastructure.

Space under construction in regions as of Q3 2020 (sqm)



Source: JLL, Industrial Research Forum, Q3 2020

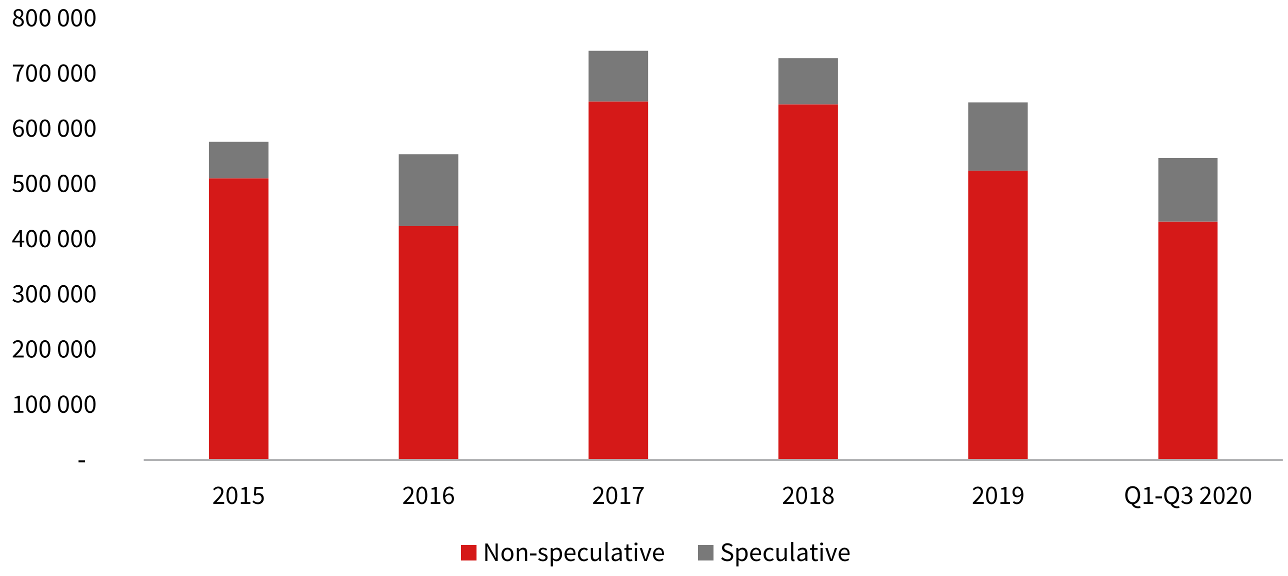
The years post 2008, when the global financial crisis hit the market, were marked by a conservative approach in terms of new supply by both - financial institutions as well as developers. Despite some revival of demand around 2010 arising mostly from the manufacturing/automotive sector which helped to absorb oversupply from pre-2009 levels, the recovery was considered to be fragile and developers were strictly focused on pre-lets and built-to-suits projects.

In the past five years (2015-2019), the share of speculative construction eventually increased as a reaction to a booming economy which pushed demand up. As vacancy remained on record-low levels, speculative development became more frequent, though not to the extent the market had experienced between 2007 and 2008. As shown on the chart below, only between 11% to 23% of new supply was delivered to the market speculatively during the last five years.

In the first nine months of 2020, the share of speculative new construction decreased. The majority of the space completed in Q3 2020 was delivered on a pre-let basis, while speculatively delivered new construction accounted for 8%.

In Q3 2020 the share of speculatively built under construction space accounted for 35%, decreased from 48% in Q3 2019. During Q3 2020, the largest share of speculative under construction space was recorded in Greater Prague with 73%, followed by the South Moravian region with 57% and the Ústí nad Labem region with 52%. As supply is very tight in the capital city, it can be expected the available space will be absorbed soon.

Non-speculative vs. speculative construction in the Czech Republic (sqm)

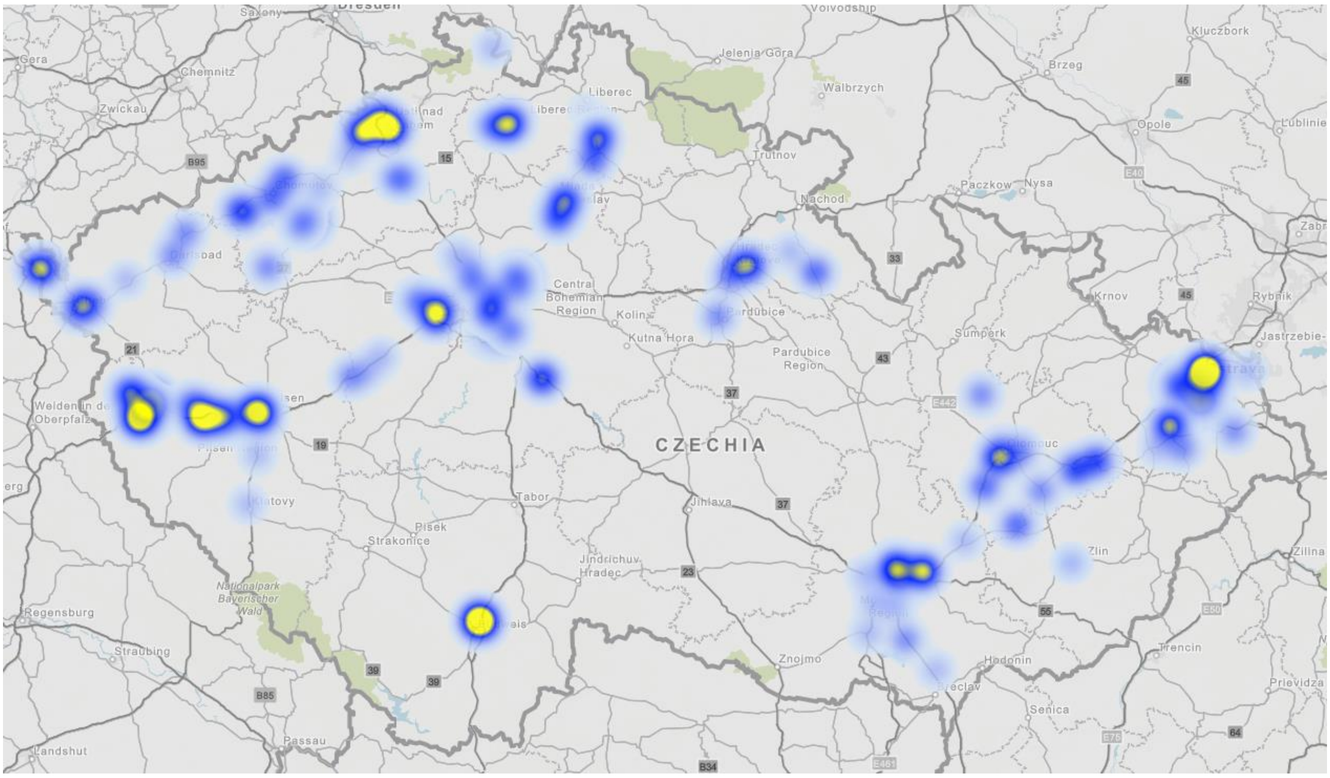


Source: JLL, Industrial Research Forum, Q3 2020

Project Carrera

The following map shows the future pipeline of industrial and logistics space based on projects in the planning stage. The future growth spots are related to improvements in infrastructure development in respective regions and will also depend on the availability of labour, especially in the case of light industrial production schemes.

Future spots of growth – projects in the planning stage



Source: JLL, Industrial Research Forum, Q3 2020

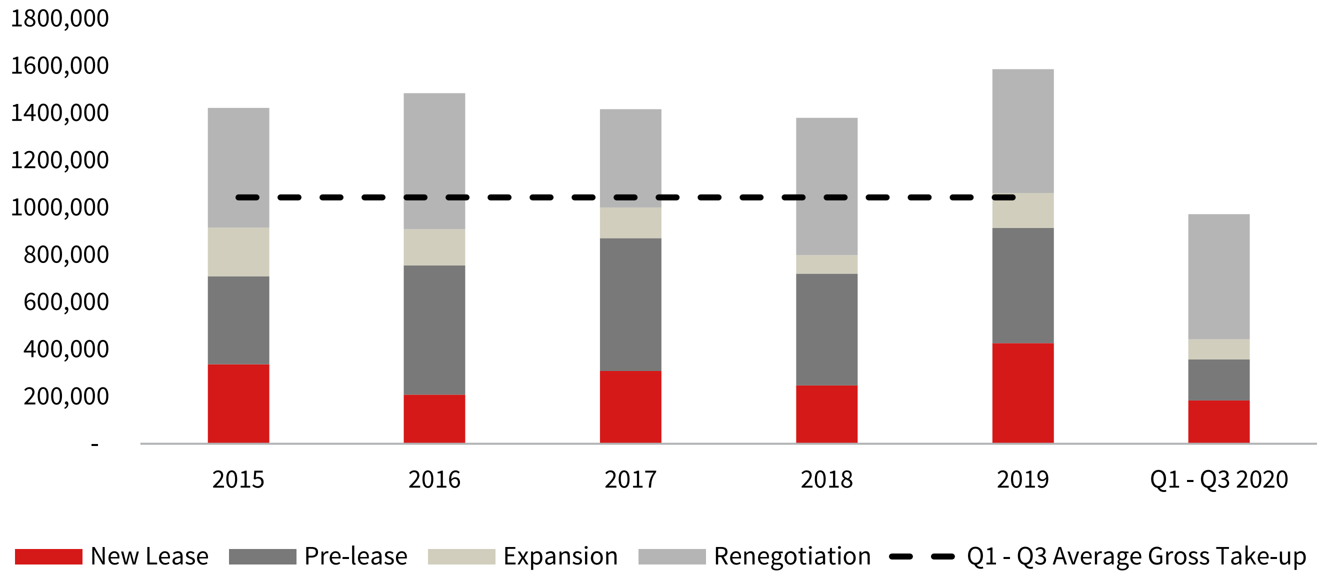
At the end of Q3 2020 out of the total space in the planning stage, including projects with and without permits, the majority was situated in the Pilsen (22%), Ústí nad Labem (19%) and Moravia-Sileasia (13%) regions. The Greater Prague region ranked 5th with a 9% share of total space in the planning stage, as it struggle with a substantial lack of available land for industrial construction.

5.2 Demand dynamics

5.1.5 Take-up overview

Over the period from 2015 to 2019, the total amount of leased industrial space reached 7.3 million sqm in the Czech Republic. Net take-up, excluding renegotiations, reached 4.7 million sqm. The share of renegotiations on 5-year demand reached approximately 36%.

The Czech Republic: Gross Take-up by Type of Lease (sqm) 2015 – Q3 2020



Source: JLL, Industrial Research Forum, Q3 2020

Major selected new transactions in the Czech Republic (2015 – Q3 2020)

Property	Region	Tenant	Type of tenant	Size (sqm)	Deal type	Year
Panattoni Park Cheb	Karlovy vary	Tchibo	Retail	73,100	Pre-lease	2016
VGP Park Jeneč	Greater Prague	4PX	3PL	66,200	Pre-lease	2017
CTPark Bor	Pilsen	Loxxess	3PL	60,500	Pre-lease	2020
FM Logistics Tuchoměřice	Greater Prague	FM ČESKÁ	3PL	53,200	New lease	2015
CTPark Prague North	Greater Prague	Makro	Retail	53,000	Pre-lease	2016
D+D Park Brodce	Central Bohemia	Škoda Auto	Automotive	35,400	Pre-lease	2017
Prologis Park Prague-Rudná	Greater Prague	Sportisimo	Retail	34,800	Pre-lease	2016
Prologis Park Prague Jirny	Greater Prague	Globus	Retail	33,500	Pre-lease	2015
Panattoni Park Cheb	Karlovy vary	DHL	Retail	32,000	Pre-lease	2017
Prologis Park Prague Jirny	Greater Prague	DHL	3PL	30,900	Expansion	2015

Source: JLL, Industrial Research Forum, Q3 2020

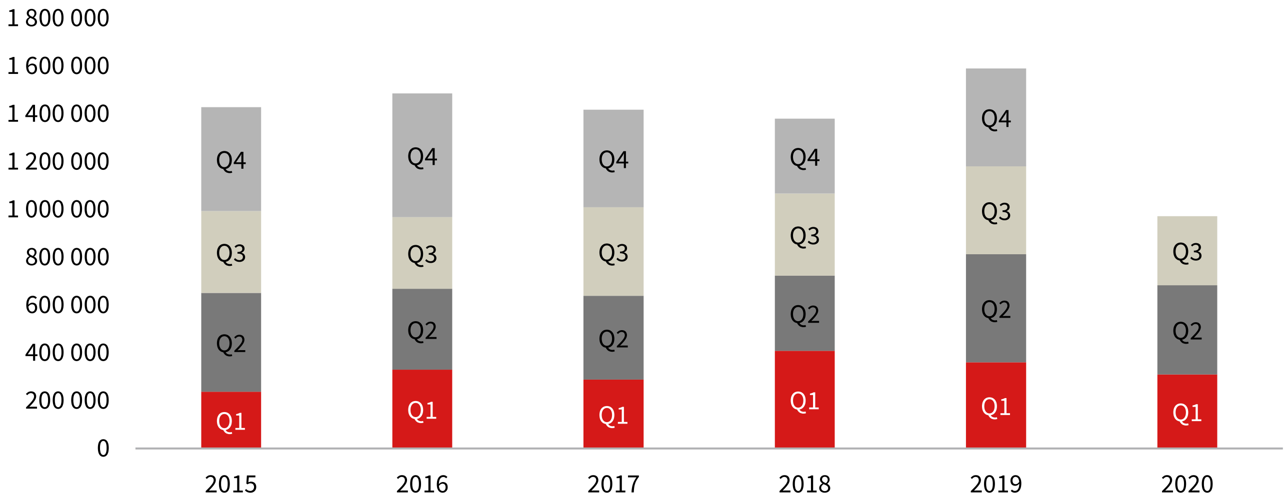
During 2019, the market registered a record high take-up, reaching 1,586,000 sqm of leased space. Net take-up, excluding renegotiations, amounted to 1,061,000 sqm. Compared to 2018, it showed 15% improvement in gross and 33% in net take-up.

Over the first nine months of 2020, demand for industrial space was muted. Though Q1 started off well keeping in pace with the previous year, the lockdown measures adopted in early March slowed down the market and Q1 results remained 14% below Q1 2019 levels. During Q2 2020, despite the difficulties, gross take-up remained only 17% below the same period last year. In Q3 2020 when lockdown measures were lifted, the market response remained moderate.

Overall, during Q1- Q3 2020, gross take-up reached 972,400 sqm, which is 18% below Q1-Q3 2019 figures. Net take-up amounted to 442,600 sqm, representing a decrease of 41%.

During Q1 – Q3 2020 Greater Prague was the most active region in the country in terms of both gross and net take-up, accounting for 38% and 29% respectively. The second most active region in terms of both, gross and net take-up, was the Pilsen region with 25% and 29%, respectively.

The Czech Republic: Gross Take-up by Quarter (sqm)



Source: JLL, Industrial Research Forum, Q3 2020

As a result of uncertainity on the market caused by the outbreak of the pandemic, the share of renegotiations increased to 54%, the highest level in the last five years.

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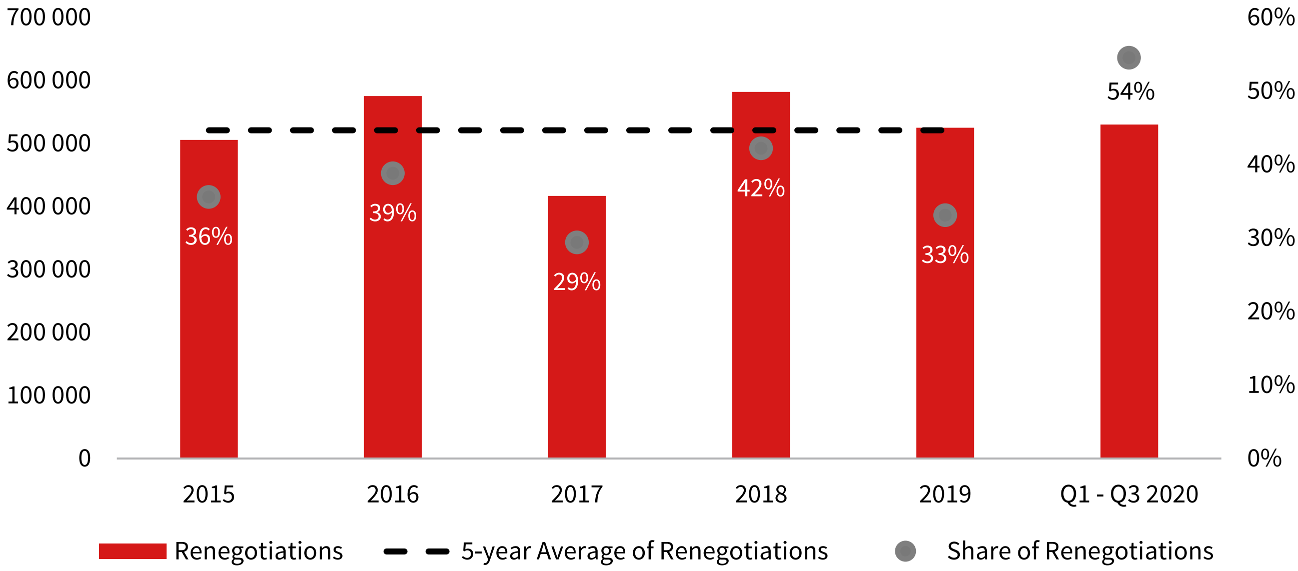
The Czech Republic: Share of Renegotiations (sqm)



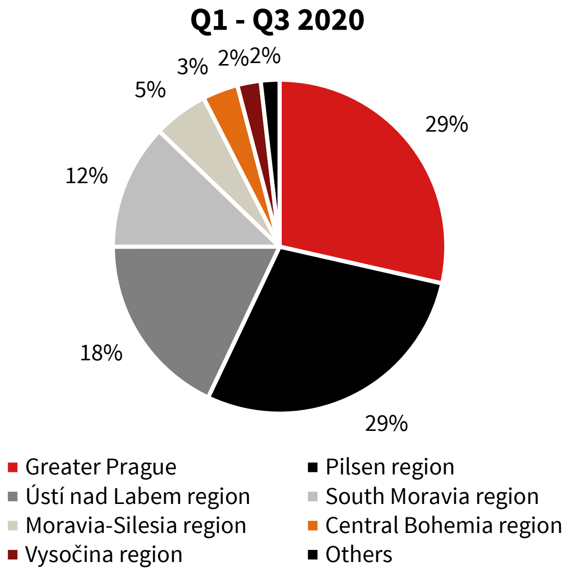
Source: JLL, Industrial Research Forum, Q3 2020

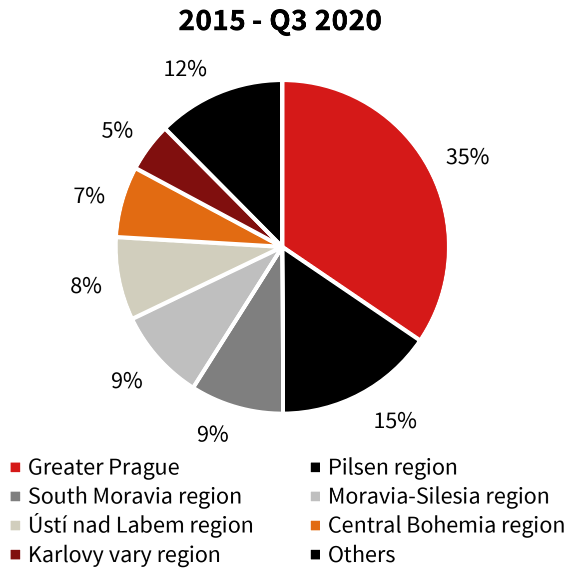
Major selected new transactions in the Czech Republic (Q1 – Q3 2020)

Property	Region	Tenant	Type of tenant	Floorspace (sqm)	Transaction type
CTPark Bor	Pilsen	Loxxess	3PL	60,500	Pre-lease
P3 Lovosice	Ústí nad Labem	Möbelix / XLMX Obchodní s.r.o.	Retail	25,100	New lease
Prologis Park Prague Úžice	Greater Prague	Confidential	Automotive	21,300	New lease
CTPark Bor	Pilsen	Confidential	Automotive	15,700	New lease
CTPark Prague West	Greater Prague	Confidential	3PL	14,500	Pre-lease
Prologis Park Prague Chrášťany	Greater Prague	Confidential	Confidential	14,500	Pre-lease
Pilsen West Industrial Park	Pilsen	Faurecia Pilsen	Automotive	12,400	Pre-lease
Brno Airport	South Moravia	Confidential	Confidential	12,200	Pre-lease
Panattoni Park Stříbro	Pilsen	Raben Group	3PL	11,700	Pre-lease
CTPark Žatec	Ústí nad Labem	Nexen Tire	Automotive	11,600	Pre-lease

Source: JLL, Industrial Research Forum, Q3 2020

Net Take-up by Regional Markets

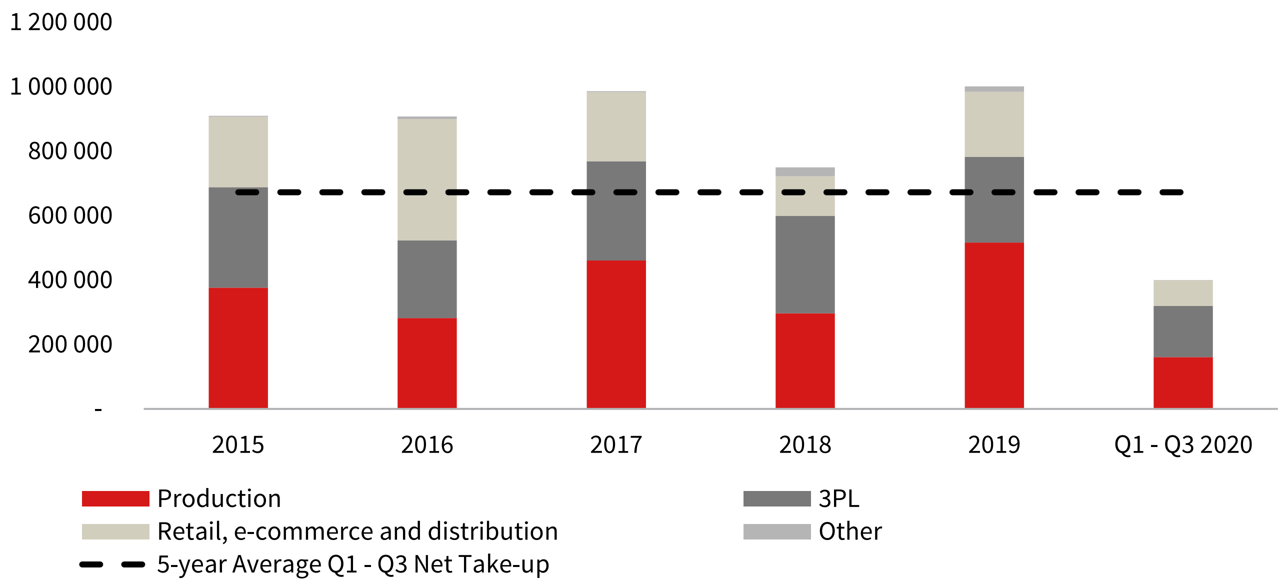




Source: JLL, Industrial Research Forum, Q3 2020

5.1.6 Take-up by business sectors

The Czech Republic: Net Industrial Take-up by Sectors 2015 – Q3 2020

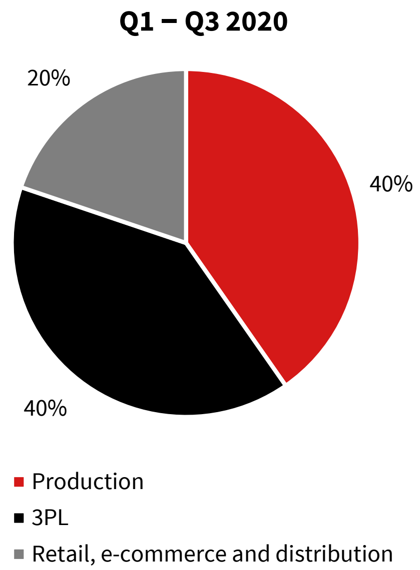


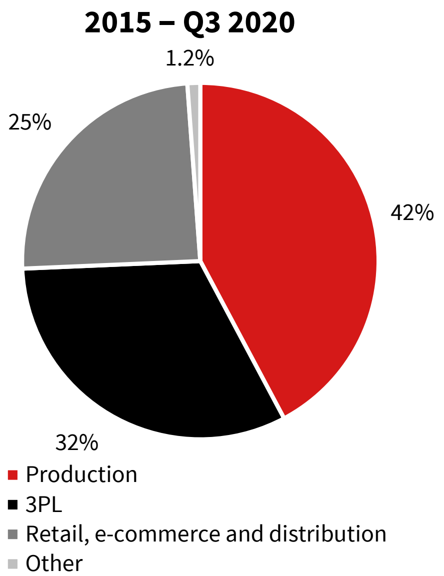
Source: JLL, Industrial Research Forum, Q3 2020

Note: Confidential deals, where type of a tenant was not disclosed, are excluded from calculation.

Looking at the breakdown of the most active sectors driving industrial demand in 2015-Q3 2020, manufacturers were the leading sector with 42% of total net demand. 3PL operators ranked second, with 32% of net demand, followed by distribution, retail and e-commerce companies with 25% share of the total.

The Czech Republic: Net Take-up by Sectors





Source: JLL, Industrial Research Forum, Q3 2020

Note: Confidential deals, where type of a tenant was not disclosed, are excluded from calculation.

The leading sector in terms of gross take-up in Q1 – Q3 2020 were 3PL companies which accounted for 49%, followed by producers (38%). In terms of net demand, manufacturing companies and 3PLs firms stood behind the same share of 40% of net take-up.

5.1.7 Evolution of net take-up from 2015 to September 2020

2015	2016	2017	2018	2019	5-year average (2015-2019)	Q1-Q3 2020
915,500 sqm	908,200 sqm	1,000,300 sqm	798,200 sqm	1,061,200 sqm	**936,700 sqm**	442,600 sqm

Source: JLL, Q3 2020
Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

5.3 Rental development

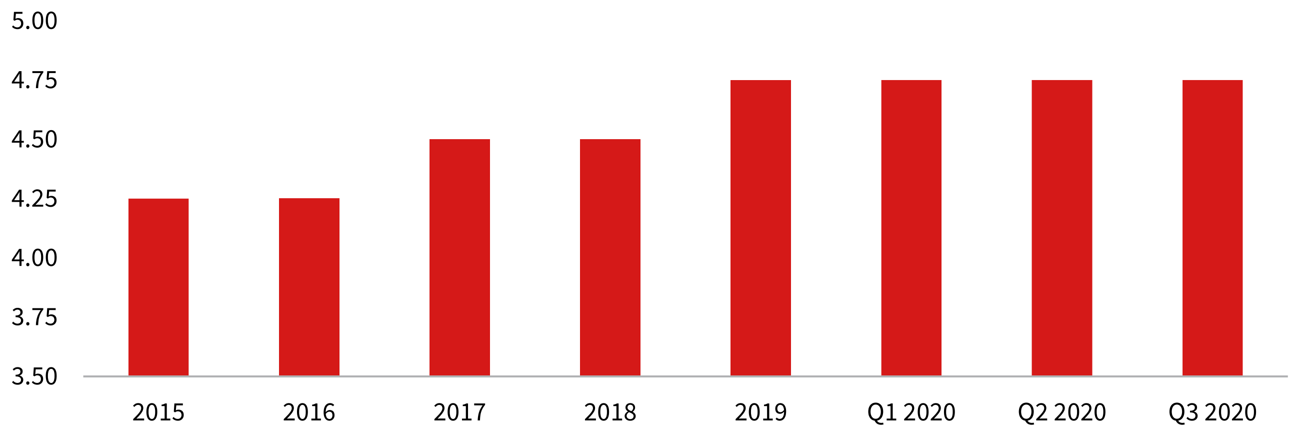
Prime industrial/logistics headline rents in the Czech Republic have been steadily increasing. While in 2015 and 2016 prime rents remained stable, prime rents increased in 2017 and again in 2019, due to strong demand and tight supply to reach their current level of 4.75 EUR per sqm per month, as highlighted by rents in Greater Prague.

In Q3 2020, prime industrial rents in Greater Prague remained stable at a level of €4.20 - 4.75 sqm/month. Also no rental change was registered in the Brno region where prime headline rents stood at €4.00 - 4.60 sqm/month.

Over the last 5 years, the prime headline rents in the Czech Republic witnessed a gradual rise from €4.25/sqm/month in 2015 to the current level of €4.75/sqm/month. Built-to-suit developments command higher rents than those quoted, especially when situated in locations with limited competition.

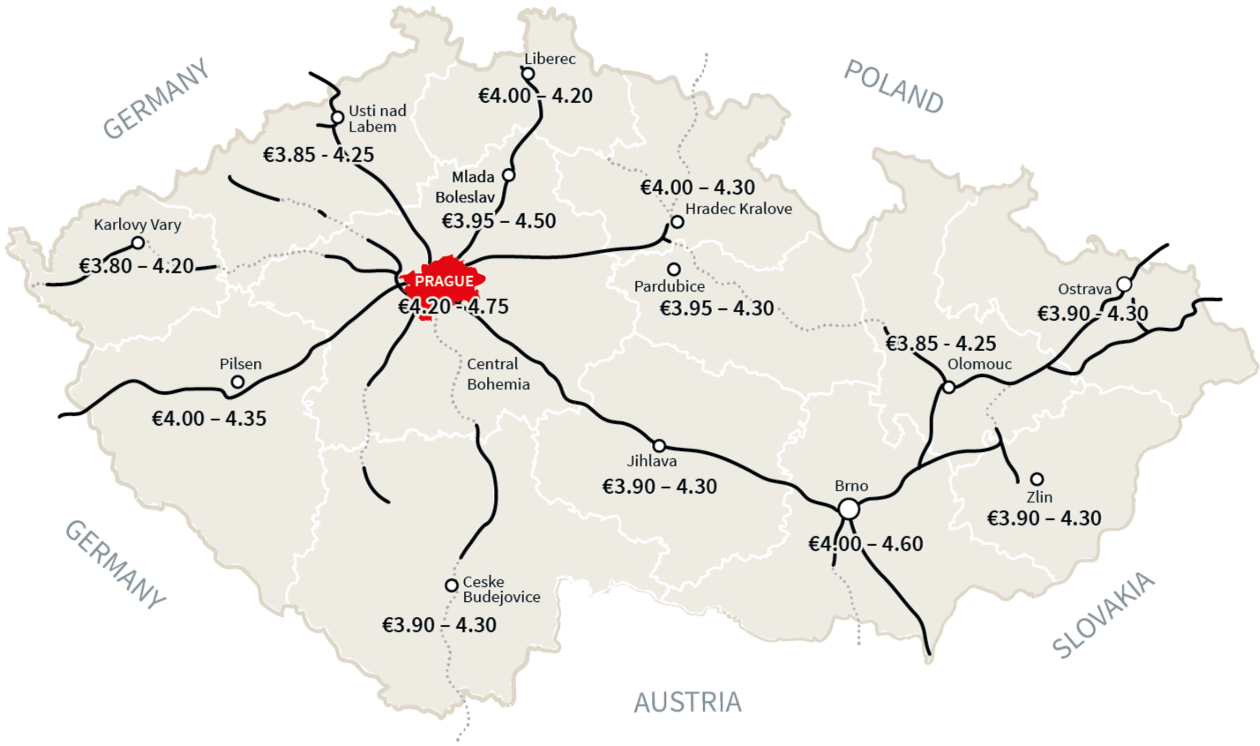
Based on the latest JLL forecasts (November 2020), prime headline industrial/logistics rents in Prague are expected to grow by 1.2% on average p.a. in the next 5 years.

Prime industrial/logistics rents in the Czech Republic (EUR/sqm/month)



Source: JLL, Industrial Research Forum, Q3 2020

Prime industrial/logistics rent in the Czech Regions



Source: JLL, Industrial Research Forum, Q3 2020

In the Czech regions, the highest rents are registered in the Greater Prague and Brno (the South Moravian region) regions. The rents pictured on the map above refer to prime headline rents for the best A-class logistics/light industrial building of approximately 5,000 sqm, situated in prime locations within the specific region.

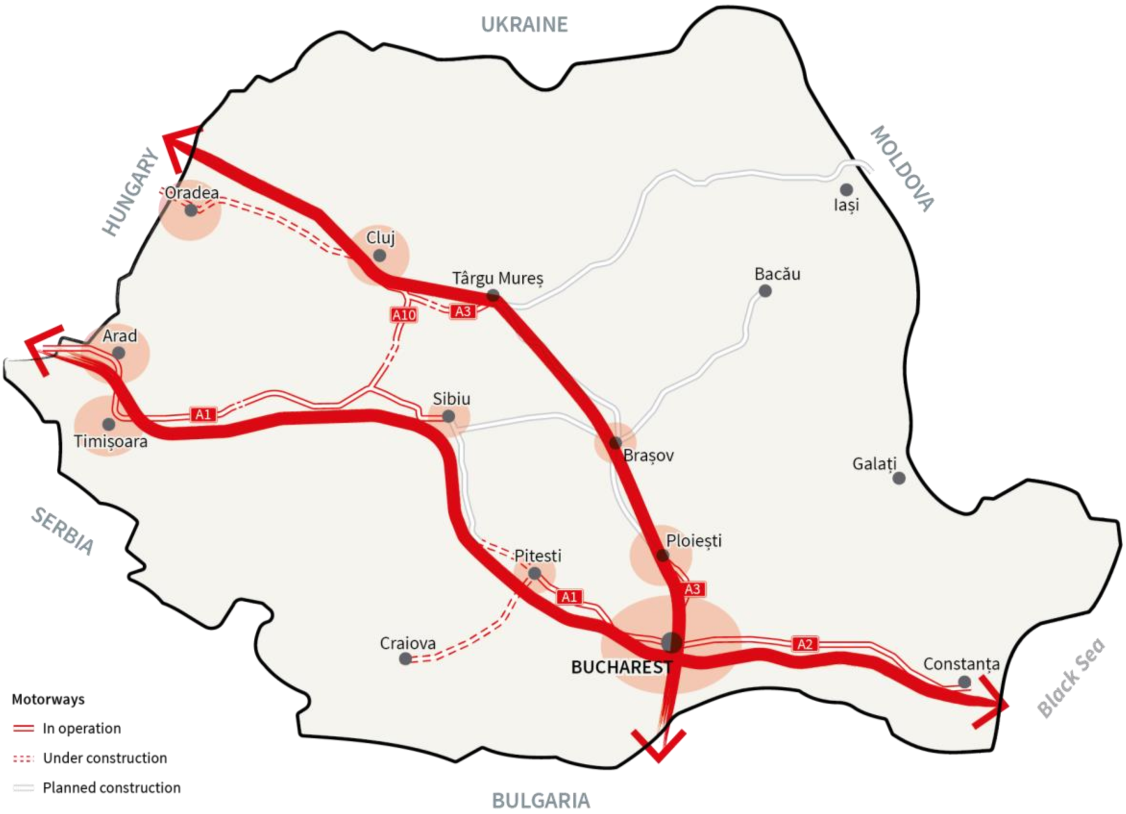
6 Romanian Industrial Occupational Market[17]

6.1 Supply dynamics

6.1.1 Main industrial hubs and corridors within Romania

Romania benefits from a strong geo-strategic location,as it is positioned at the crossroads of three important markets: the European Union, the CIS states and the Middle East, and crossed by three important pan-European transportation corridors. As a result, the Romanian industrial and logistics market is showing a dynamic development. In the long run, the relatively low level of supply of industrial and logistics space per capita suggests the potential for a strong growth in the country's industrial and logistics stock.

Romanian Major Transport Corridors and Logistics Hubs



Source: JLL, Q3 2020

17 In this section, Romanian industrial market data refers to modern stock of logistics and light industrial use of Class A and B, owned by a developer or investor for lease to third parties. As historic time series for the entire country is not available, historic data refers to the capital city of Bucharest which represents the dominant industrial market of Romania.

If not specified otherwise both gross and net take-up data include transactions of all sizes. Therefore, the data in this section is not comparable with the data in the European Industrial Occupational Market section (Section 4) where take-up refers to net take-up (excluding renewals) and is based on transactions involving units of 5,000 sqm and above only.

Overall Industrial Market Statistics of Romania (Q3 2020)	
Total stock	4,871,200 sqm
New supply completed in Q1 – Q3 2020	410,000 sqm
Space Under Construction	309,000 sqm
Gross Take-up in Q1 – Q3 2020	396,400 sqm
Net Take-up in Q1 – Q3 2020	293,800 sqm
Vacancy rate	5.0%
Prime rent	4.0 EUR/sqm/month

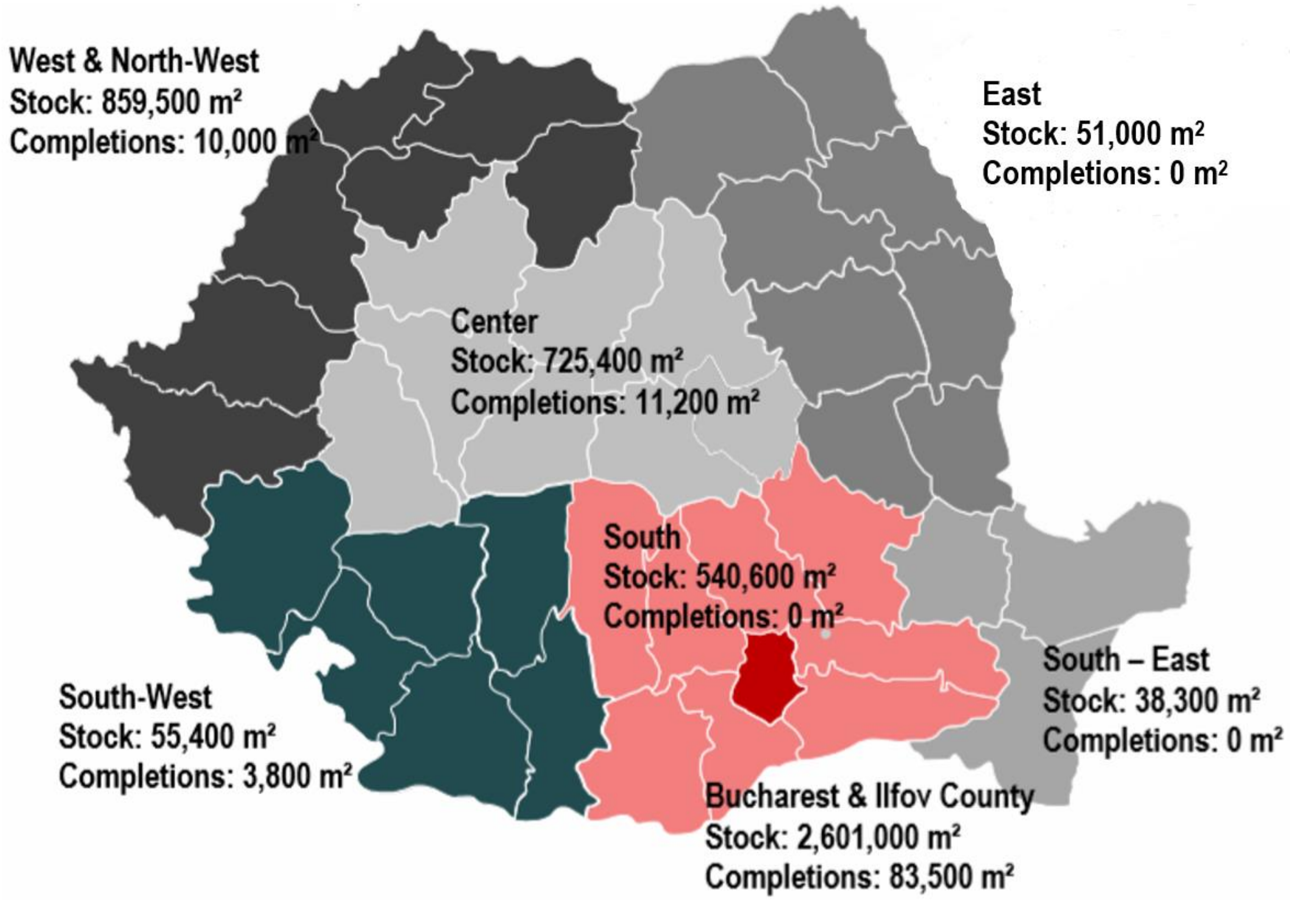
Source: JLL, Q3 2020

6.1.2 Stock and supply

At the end of Q3 2020, the total modern A-class industrial stock in Romania (owned by developers and investors) reached 4.87 million sqm. Bucharest is the largest industrial market in the country with a 53% share, followed by West & North-West (18%) and Center (15%) regions.

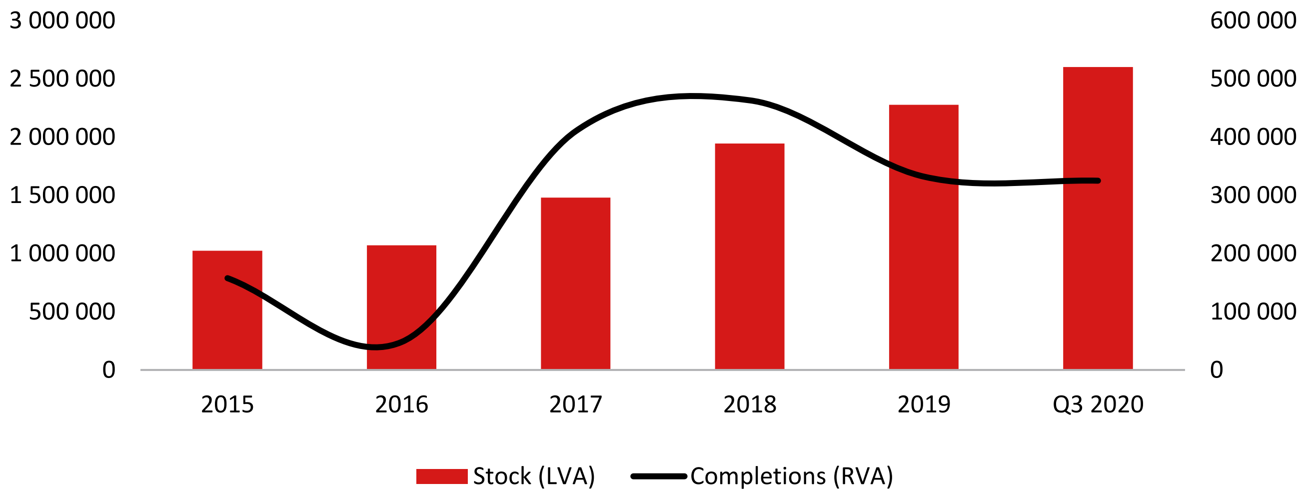
During the first nine months of 2020 almost 410,000 sqm of modern industrial and logistics space was delivered nationwide. Approximately 180,000 sqm is expected to be added to the stock in Q4, thus bringing the total deliveries for 2020 to almost 600,000 sqm, a similar volume as seen in 2019. The industrial and logistics sector in Romania proved to be resilient in the face of the COVID-19 pandemic and most real estate developers have carried on with their development plans.

New Supply in Q3 2020 and Total Stock Distribution



Source: JLL, Q3 2020

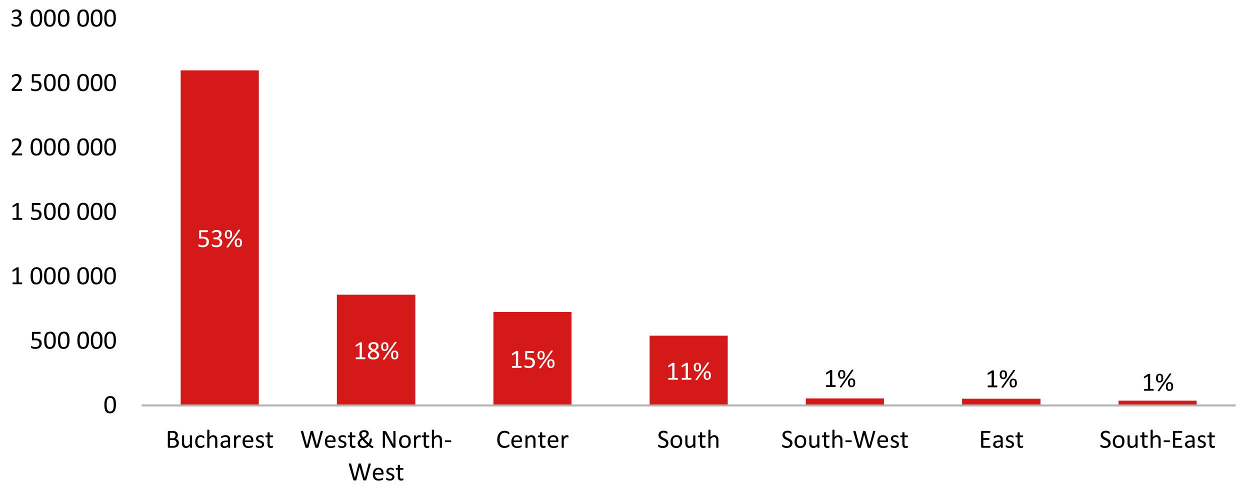
Industrial stock development and completions in Bucharest (sqm)



Source: JLL, Q3 2020

Note: Historic time series for the entire country is not available. Bucharest represents the dominant industrial market of Romania.

Total industrial stock distribution by regions (sqm)



Source: JLL, Q3 2020

Approximately 108,500 sqm of new industrial and logistic spaces were delivered during Q3 2020, slightly above the previous quarter. Bucharest & Ilfov accounted for most of the new space, with over 83,500 sqm, or close to 77% of total deliveries. The rest was represented by the Center region, with approximately 11,200 sqm, West & North-West, with 10,000 sqm and South-West, adding another 3,800 sqm.

Largest 10 Industrial Parks in Romania

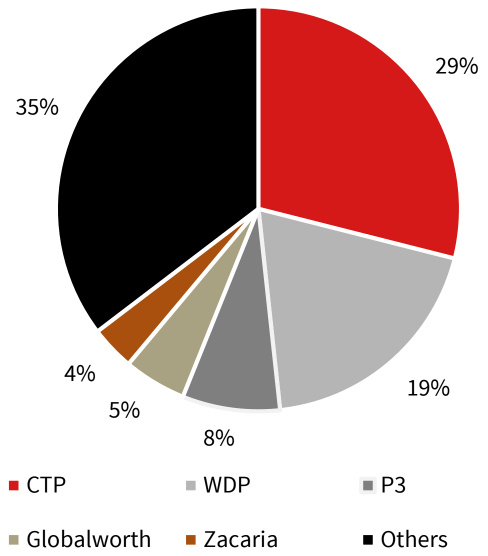
Logistics park	Owner	Size (sqm)
CTPark Bucharest West	CTP	618,000
CTPark Bucharest	CTP	493,800
P3 Bucharest A1	P3	380,000
WDP Stefanesti	WDP	254,800
VGP Timisoara	VGP	151,000
Incontro Timisoara	Incontro	134,000
Timisoara Industrial Park	Globalworth	121,200
WDP Dragomiresti	WDP	115,000
WDP Timisoara	WDP	110,000
Industrial Park Brasov	ICCO	110,000

Source: JLL, Q3 2020

Warehouse Ownership Split

At the end of Q3 2020, the largest industrial property owners in Romania include CTP with 29% market share, followed by WDP (19%) and P3 (8%), according to quarterly surveys undertaken by JLL with the industrial property owners in Romania.

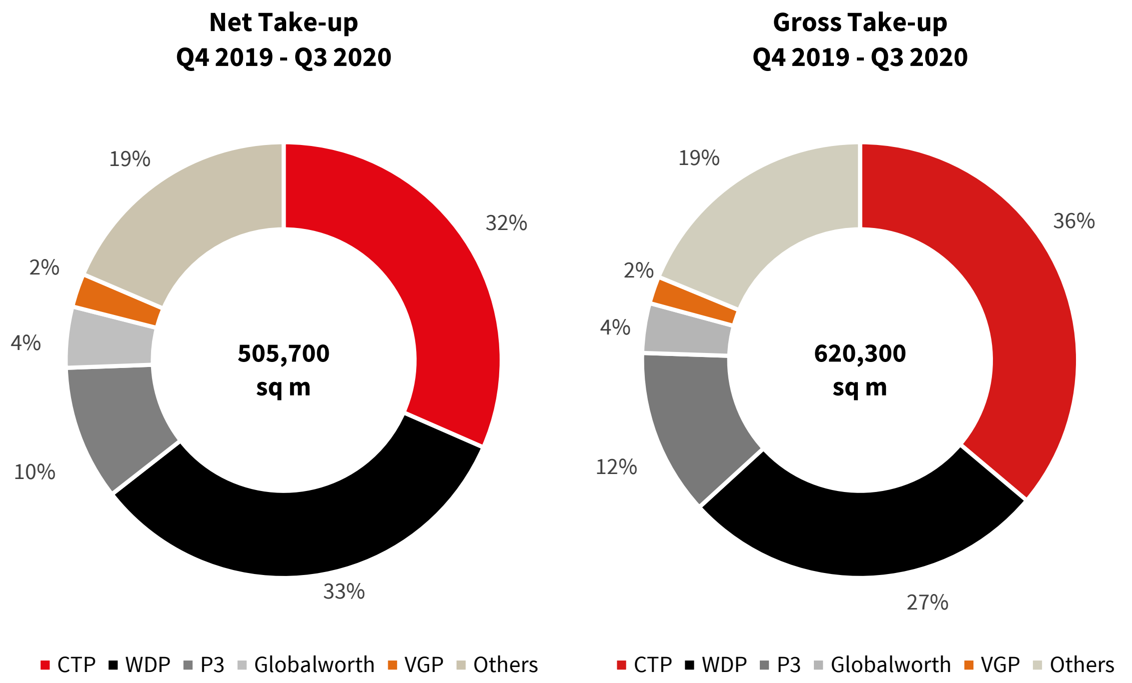
Romania: Split of Industrial Space by Owners Q3 2020



Source: JLL, Q3 2020

Note: Based on owned use-permitted industrial space (class A and B)

Romania: Industrial Space by Net and Gross Take-up

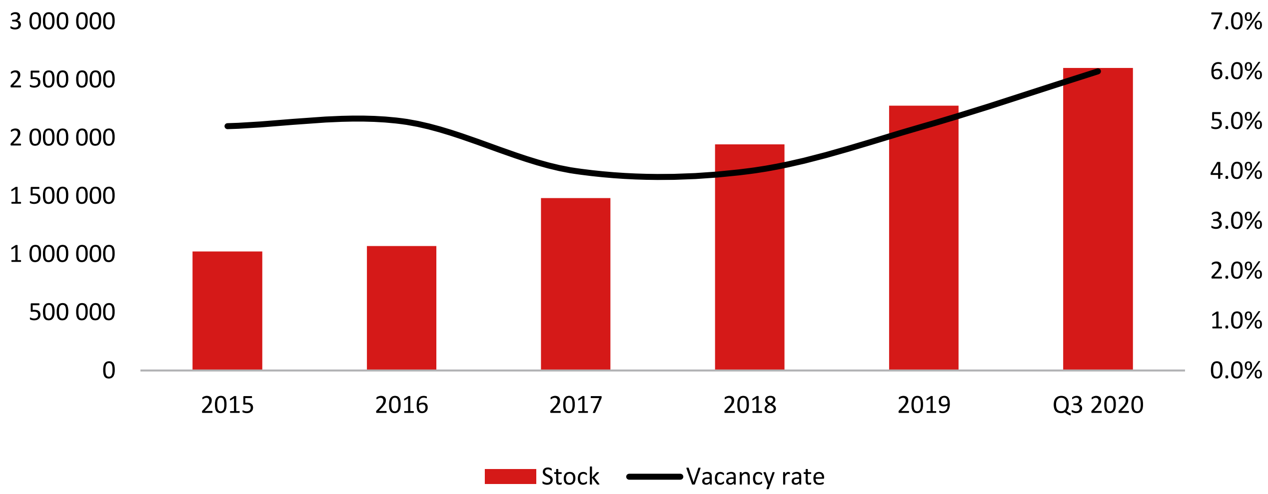


Source: JLL, Q3 2020

Note: Based on owned use-permitted industrial space (class A and B)

In H1 2020, demand, vacancy and rents remained relatively stable. Vacancy rates decreased during Q3 at the national level, from 5.7% in Q2 to approximately 5%. The same trend was recorded in Bucharest & Ilfov, where vacancy decreased from 6.8% in Q2 to approximately 6% in Q3 2020.

Stock vs. Vacancy in Bucharest



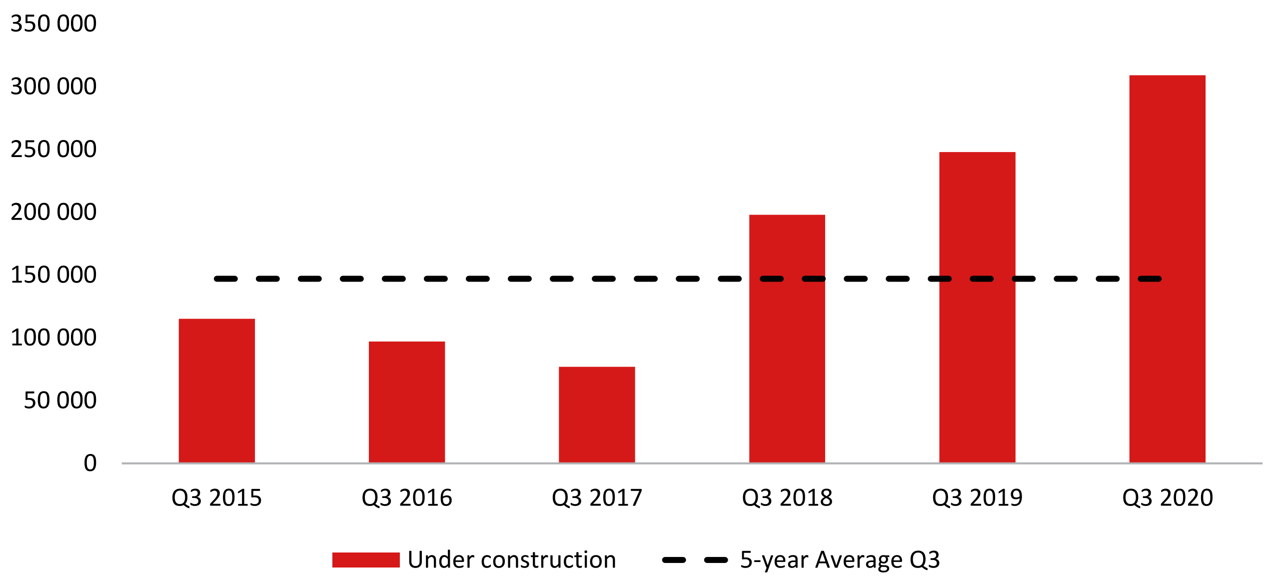
Source: JLL, Q3 2020

Note: Historic time series for the entire country is not available. Bucharest represents the dominant industrial market of Romania.

6.1.3 Future supply in Romania

Construction activity remains high with more than 309,000 sqm of new logistics and industrial space being built in Bucharest as of Q3 2020. It is the highest level in the last five years.

Projects under construction in Bucharest



Source: JLL, Q3 2020

Note: Historic time series for the entire country is not available. Bucharest represents the dominant industrial market of Romania.

Current construction activity includes projects both in the Capital as well as in the regional cities. Approximately 90% is constructed as built-to-suit, speculative construction is usually low, ranging between 5% and 10% of total, the highest proportion being in Bucharest.

Pipeline for Q4 2020 (Selection)

Property	Location	Floorspace (sqm)	Type
CTPark Bucharest West	Bucharest	90,000	Expansion
CTPark Bucharest	Bucharest	30,000	Expansion
CTPark Bucharest North	Bucharest	20,000	New project
General Industrial Park	Sibiu	8,200	Expansion
Network Industrial Park	Sibiu	7,400	Expansion
Olympian Park	Brasov	7,000	Expansion
Imperial Industrial Park	Sibiu	5,400	Expansion

Source: JLL, Q3 2020

6.2 Demand dynamics

6.2.1 Take-up overview

The largest industrial transaction recorded in the first 9 months of 2020 was the acquisition of Equest Logistic Park located on the A1 Highway, at Km. 13, the most important logistics sub-market in Bucharest. Through this acquisition, CTP consolidated its position as the largest owner of industrial/logistic space in Romania and one of the two dominant players in that particular sub-market.

In Q3 2020 total rental demand for modern industrial and logistics spaces in Romania summed up to approx. 123,600 sqm. Net take-up accounted for 84% of the total, or approximately 104,000 sqm. Bucharest had by far the largest share of total demand for industrial and logistics spaces in Q3, respectively 82% (approx. 101,000 sqm) followed by Constanta, with a 8.3% share (10,300 sqm) and Timisoara, with an over 6% share (7,600 sqm).

The FMCG sector was the most active during Q3, accounting for 35% of total demand, or 43,600 sqm, followed by the logistics sector, with almost 22% or 26,800 sqm. In Q3 2020 there were three leasing transactions reported of at least 10,000 sqm, the average transaction size being roughly 5,000 sqm. Total demand during the first nine months of 2020 reached almost 392,300 sqm, approximately 16% above the 337,000 sqm recorded during the same period of 2019.

Major transactions in Romania (2015 – Q3 2020)

Property	Tenant	Type of tenant	Size (sqm)	Deal type	Year
WDP Stefanesti	Auchan	Retail	77,500	Relocation + expansion	2018
CTPark Bucharest West	Profi	Retail	72,000	Renewal + expansion	2019
CTPark West	Maersk	Logistics	70,000	New lease	2019
WDP Slatina	Pirelli	Automotive	62,000	Pre-lease	2019
WDP Timisoara	Profi	Retail	58,500	New Demand	2020
WDP Craiova	Profi	Retail	57,000	New Demand	2020
WDP Stefanesti	Metro	Retail	56,500	New lease	2018
CTPark Bucharest	DSV	Logistics	55,000	Renewal	2017
P3 Bucharest A1	Carrefour	Retail	45,000	Renewal	2016
WDP Deva	Carrefour	Retail	44,000	Pre-lease	2018

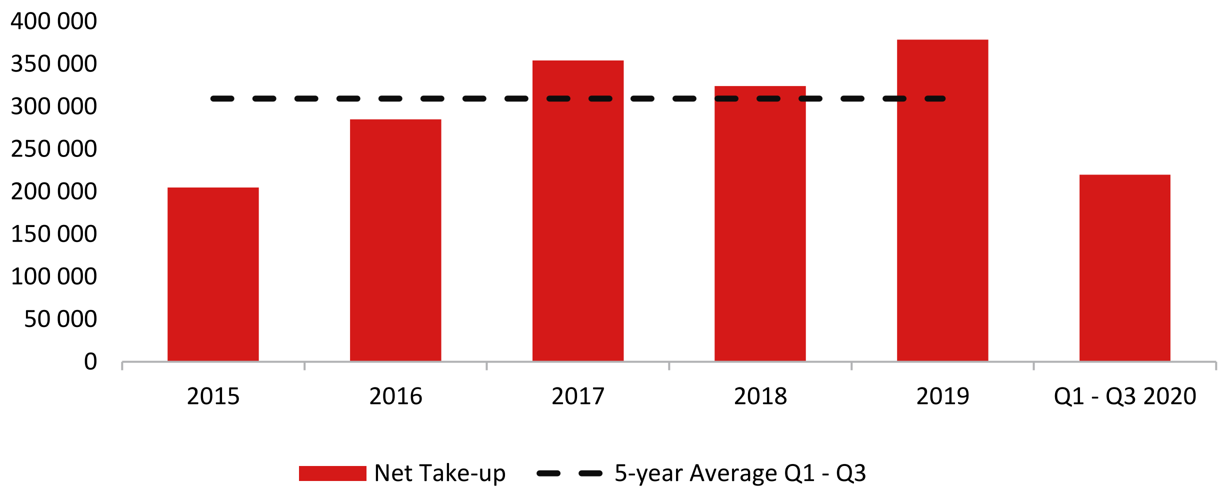
Source: JLL, Q3 2020

Major latest transactions in Romania (Q3 2020)

Property	Tenant	Type of tenant	Size (sqm)	Transaction type
WDP Stefanesti	LPP	FMCG	21,800	Expansion
P3 Bucharest A1	SLS	3PL	15,500	Relocation
Metav	Bebe Tei	FMCG	9,500	Pre-lease
CTPark Bucharest	Notino	E-commerce	7,200	New lease
Constanta Business Park	PepsiCo	FMCG	6,500	New lease
WDP Dragomiresti	Permafood	Distribution	6,500	New lease

Source: JLL, Q3 2020

Net Take-up in Romania 2015 – Q3 2020 (sqm)



Source: JLL, Q3 2020

Note: Data includes only transactions above 5,000 sqm.

6.2.2 Evolution of net take-up from 2015 to September 2020

2015	2016	2017	2018	2019	5-year average (2015-2019)	Q1-Q3 2020
262,900 sqm	356,500 sqm	423,200 sqm	385,100 sqm	490,400 sqm	**383,600 sqm**	316,300 sqm

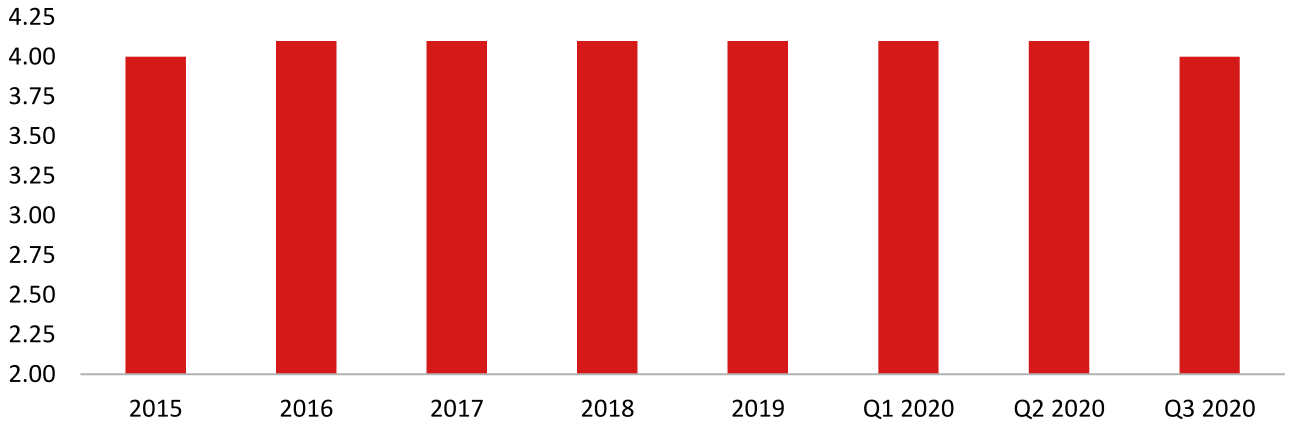
Source: JLL, Q3 2020
Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

6.3 Rental Development

Rents for industrial spaces marginally decreased during Q3 2020, reaching between €3.6 and €4.0/sqm/month in Bucharest and its vicinity, and between €3.0 and €4.0/sqm/month in other regions of Romania.

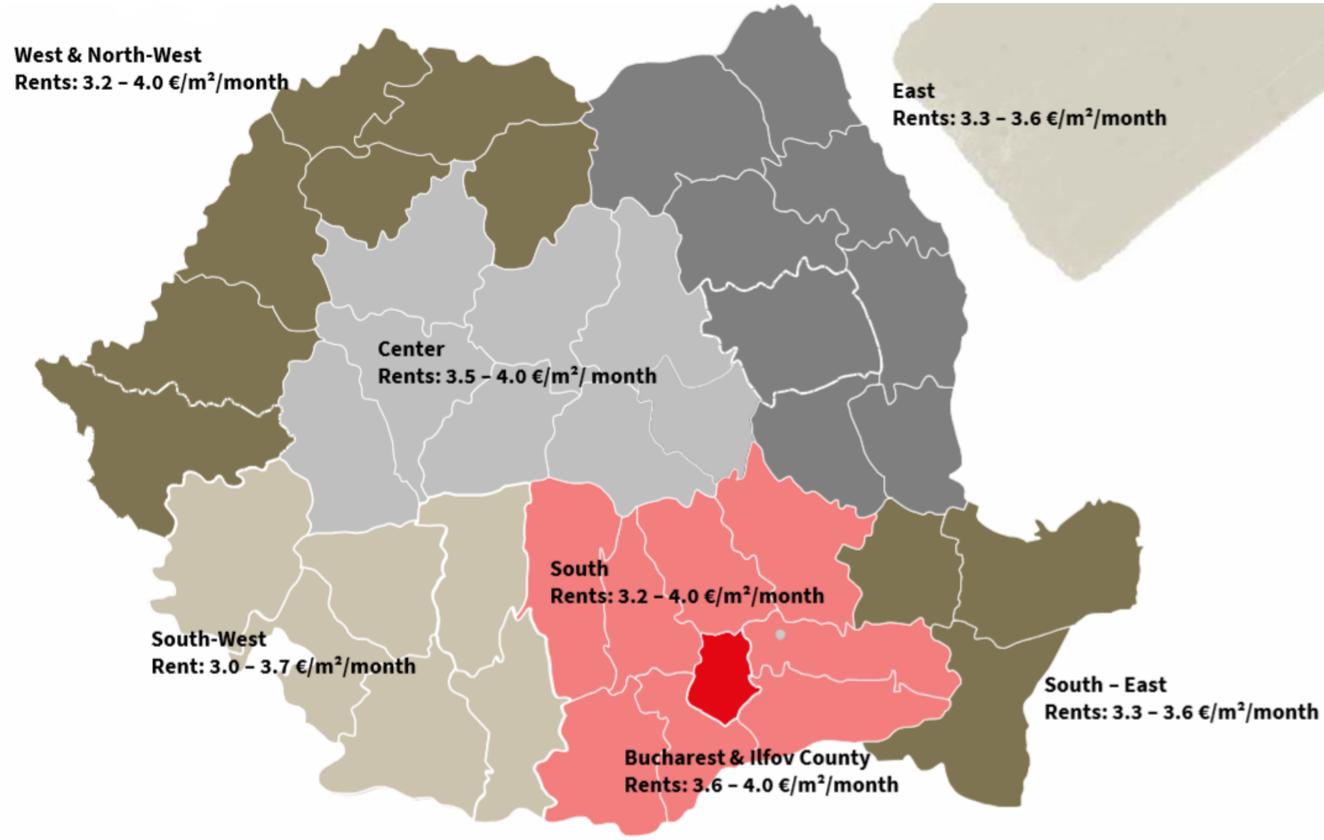
Even though the COVID-19 pandemic is continuing, it is unlikely to trigger a significant change in market rents for industrial spaces as demand remains robust.

Prime industrial/logistics rents in Bucharest (EUR/sqm/month)



Source: JLL, Q3 2020

Prime rents in Romania



Source: JLL, Q3 2020

7 Hungarian Industrial Occupational Market[18]

7.1 Supply dynamics

7.1.1 Main industrial hubs and corridors within Hungary

Hungary continues to attract more and more large foreign corporations to operate regional centres from Budapest or another Hungarian city in various fields, including logistics. This is largely driven by a well developed motorway network connecting the country with the wider European markets. In addtion, the Budapest region has the third highest motorway density in Europe (according to Eurostat 2018) and the country is located at the crossroads of four main European transportation corridors.

Hungarian Major Transport Corridors and Logistics Hubs

Source: JLL, Q3 2020

18 In this section, Hungarian industrial market data refers to modern stock of logistics and light industrial use of Class A and B, owned by a developer or investor for lease to third parties, as well as owner-occupied stock. As market data for the entire country is not available, the data in this section refers to the capital city of Budapest and its surroundings (hereinafter Greater Budapest) which represents the dominant industrial market of Hungary.

If not specified otherwise both gross and net take-up data includes transactions of all sizes. Therefore, the data in this section is not comparable with the data in the European Industrial Occupational Market section (Section 4) where take-up refers to net take-up (excluding renewals) and is based on transactions involving units of 5,000 sqm and above only.

Budapest plays the main role in the Hungarian economy as the Capital, benefiting from its infrastructure and its central location in the country. As a result, the majority of industrial and logistics development activities and transactions are also concentrated in the vicinity of Budapest. Besides the Capital, there are countryside logistics locations as well, mainly county seats, where the economic and geographical conditions allow to create logistics and industrial parks.

Overall Industrial Market Statistics of Greater Budapest (Q3 2020)	
Total stock	2,351,100 sqm
New supply completed in Q1 – Q3 2020	104,200 sqm
Space Under Construction	180,000 sqm
Gross Take-up in Q1 – Q3 2020	427,700 sqm
Net Take-up in Q1 – Q3 2020	279,500 sqm
Vacancy rate	2.3%
Prime rent	4.75 EUR/sqm/month

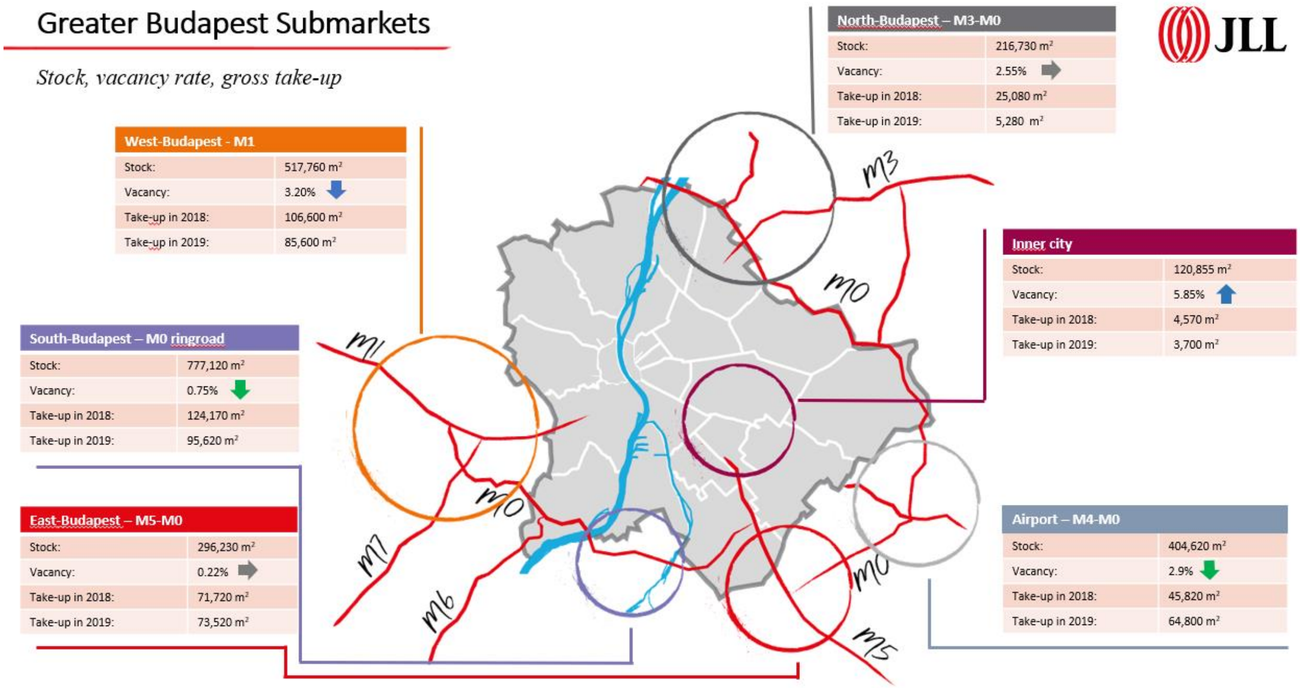
Source: JLL, Q3 2020

7.1.2 Stock and supply

The Greater Budapest industrial stock comprises larger big box logistics parks around the M1, M7, M5, M3 and M0 highways as well as smaller inner city-logistics schemes, mainly in District 9. Currently there are over 40 modern logistics parks in Greater Budapest for letting purposes. The quality of the warehouses is in line with the Western-European standards.

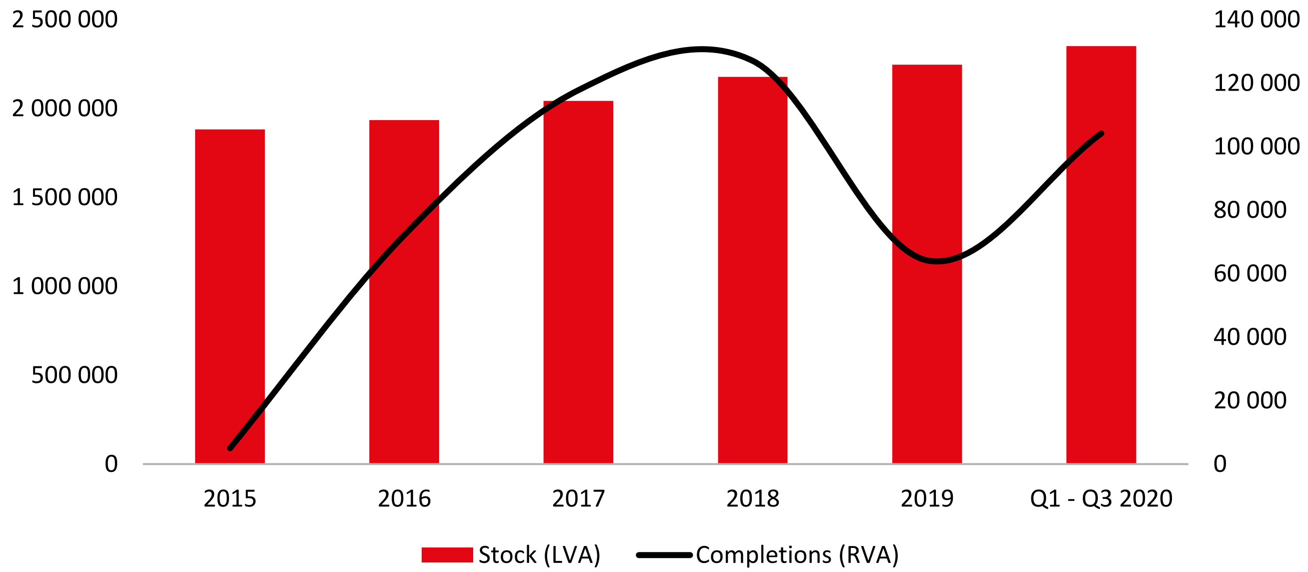
The total modern industrial stock in Greater Budapest and its surroundings stood at 2.35 mil. sqm at the end of Q3 2020. There were no new buildings delivered in Q3 2020. In Q2 2020, 64,140 sqm of new space was added to the total modern industrial stock in Budapest and its surroundings, as the newest phase of East Gate Business Park (17,780 sqm), the new building of CTPark South (22,840 sqm), the Prologis Harbor DC11 building (13,520 sqm) and the newest phase of Budapest Dock Szabadkikötő (10,000 sqm) were completed. The Greater Budapest market suffers from a lack of potential development plots which limits the construction activities.

New Supply and Total Stock Distribution



Source: JLL, Q3 2020

Industrial Stock Development and Completions in Greater Budapest (sqm)



Source: JLL, Q3 2020

From 2011 to 2015 only smaller BTS buildings were completed as vacancy was too high and there was a high supply of vacant industrial units in the Greater Budapest industrial market. In the second half of 2016 availability started to decrease again as demand became stronger. Development activity clearly picked up more recently as at the end of Q3 2020 ca. 150,000 sqm were under construction in the Greater Budapest market. This volume is expected to increase over the coming quarters, despite the fact the market started to suffer from a lack of potential development plots recently. More than 40% of the volume under construction at the end of September 2020 was already pre-let.

Largest Logistics Parks in Greater Budapest

Logistics park	City	Owner	Floor space (sqm)
BILK	Budapest	Waberers	203,600
ProLogis Park Budapest-Sziget	Szigetszentmiklós	Prologis	202,400
CTPark Budapest West	Biatorbágy	CTP Invest	159,100
ProLogis Park Budapest - Harbor	Budapest	Prologis	154,600
ProLogis Park Budapest-Gyál	Gyál	Prologis	151,800
Üllő Airport Logistics Center	Üllő	GLP Gazeley	136,100
East Gate Business Park	Fót	WING	119,100
Login Business Park	Budapest	WING	75,400
Euro-BusinessPark	Törökbálint	Logicor	70,800
ProLogis Park Budapest M1	Páty	Prologis	67,100

Source: JLL, Q3 2020

Warehouse Ownership Split

At the end of Q3 2020, the largest industrial property owners in Greater Budapest include Prologis with 27% market share, followed by CTP (12%) and Waberers (9%), according to quarterly surveys undertaken by JLL and Budapest Research Forum[19] with the industrial property owners in Hungary.

19 The Budapest Research Forum (hereinafter the 'BRF') was established in 2000 with its aim to provide clients with consistent, accurate and transparent data about the Budapest office and industrial real estate markets. The members of the BRF, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary, share non-sensitive information and believe the establishment of the Budapest Research Forum will enhance transparency on the Budapest real estate market.

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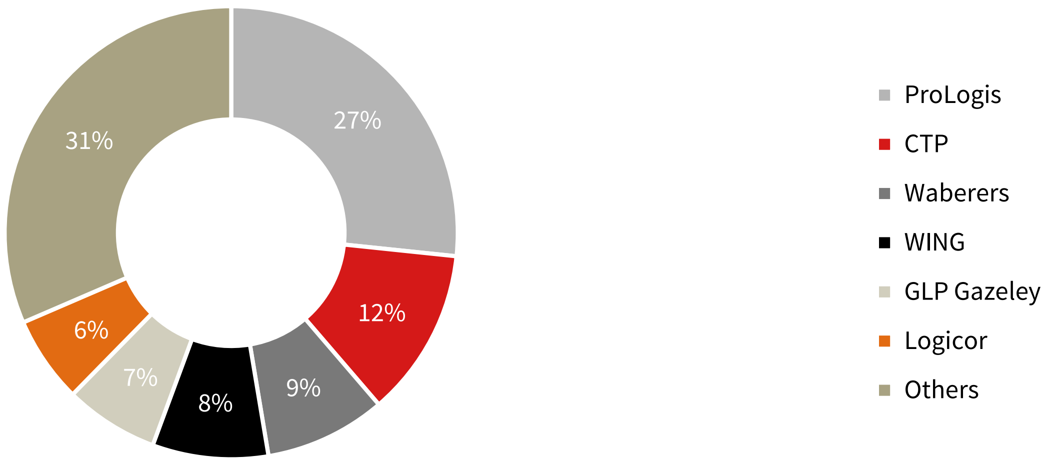
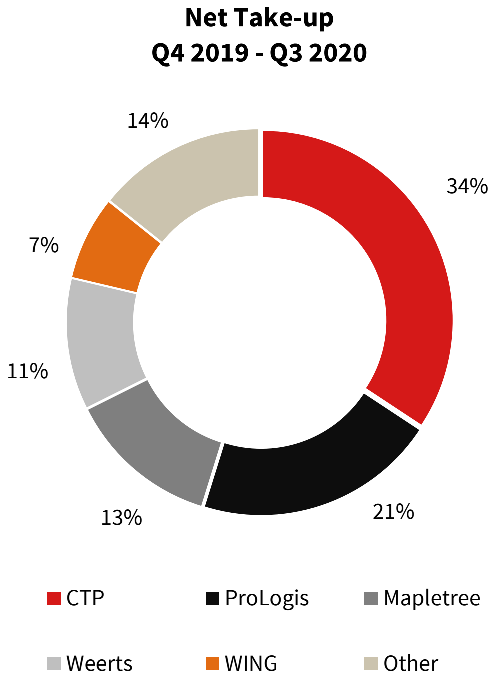
Industrial space ownership in Greater Budapest (Q3 2020)

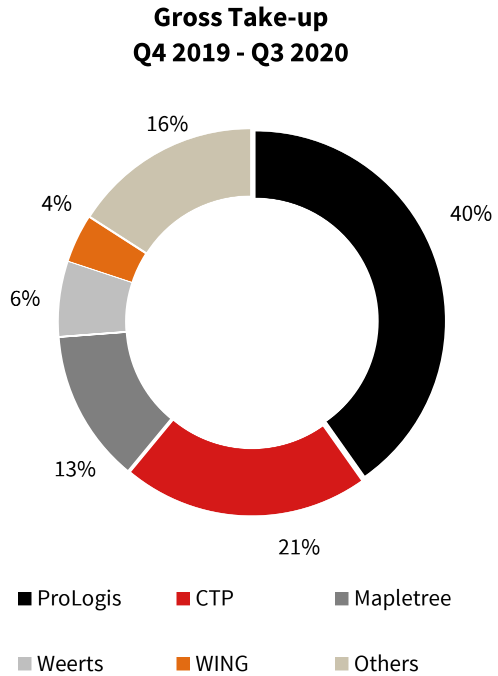


Source: JLL, Q3 2020

Note: Based on owned use-permitted industrial space (class A and B and owner-occupied stock)

Industrial Space by Net and Gross Take-up in Greater Budapest

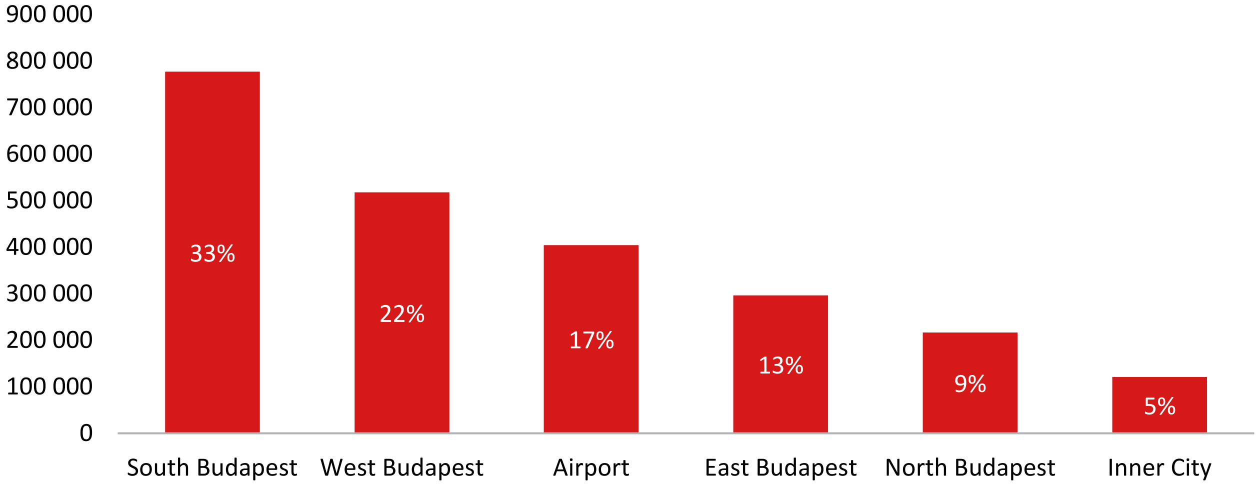




Source: JLL, Q3 2020

Note: Based on owned use-permitted industrial space (class A and B and owner-occupied stock)

Total Industrial Stock Distribution by Subregions in Greater Budapest Q3 2020 (sqm)



Source: JLL, Q3 2020

Completions in Greater Budapest Q1 - Q3 2020

Submarket	Building	Developer	Size (sqm)	Leased	Period
Airport	BUD Cargo City	BUD Airport	8,700	100%	Q1
West	CTPark Budapest West	CTP	31,300	100%	Q1
North	East Gate Business Park C	WING	17,800	100%	Q2
South	CTPark South DNH1	CTP	22,800	100%	Q2
West	Prologis Harbor DC11	Prologis	13,500	100%	Q2
South	Budapest Dock Szabadkikötő C3	Budapesti Szabadkikötő	10,000	100%	Q2

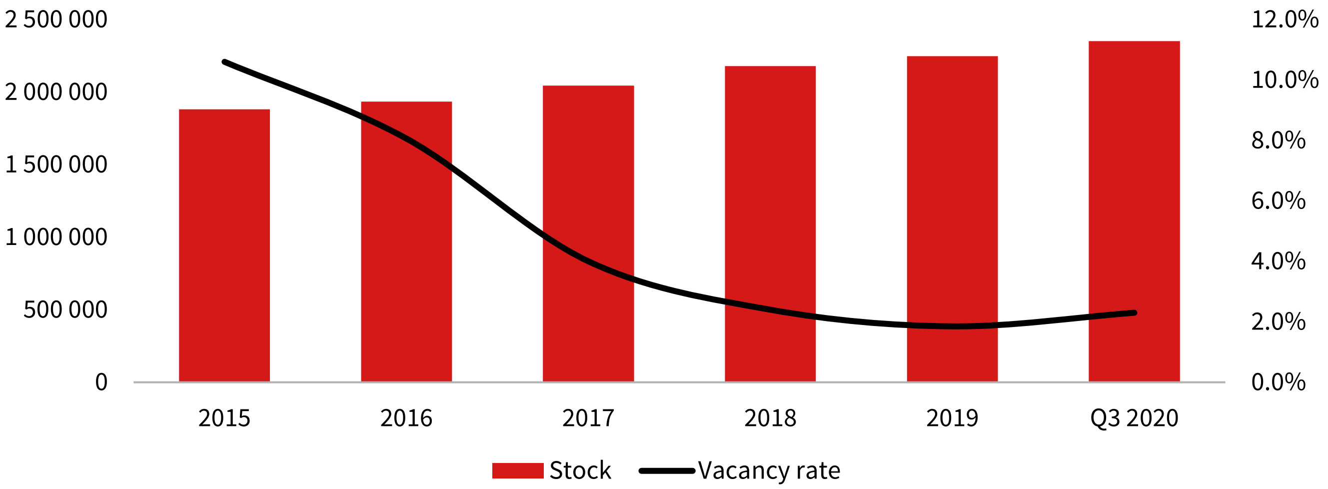
Source: JLL, Q3 2020

7.1.3 Vacancy

Due to a massive construction activity and the volatile market environment, the industrial market became significantly oversupplied following the 2008 global downturn. By the middle of 2013, space availability peaked at 23.8%, which was the highest vacancy rate in the history of the Budapest industrial market. It shall be noted that this was based on a small market size overall and total vacant space was still limited.

Since then the rate started to decrease substantially, with the vacancy reaching its record low level at the end of Q4 2019 at a rate of 1.9%. It slightly increased to 2.6% by Q2 2020 due to the significant new supply. By Q3 2020, the vacancy rate began to decrease again and reached 2.3%, resulting in a 30 bps decline q-o-q, and a 20 bps decline y-o-y. At the end Q2 2020 a total of 60,900 sqm logistics area remained vacant, and there was only one existing warehouse with available space of more than 5,000 sqm.

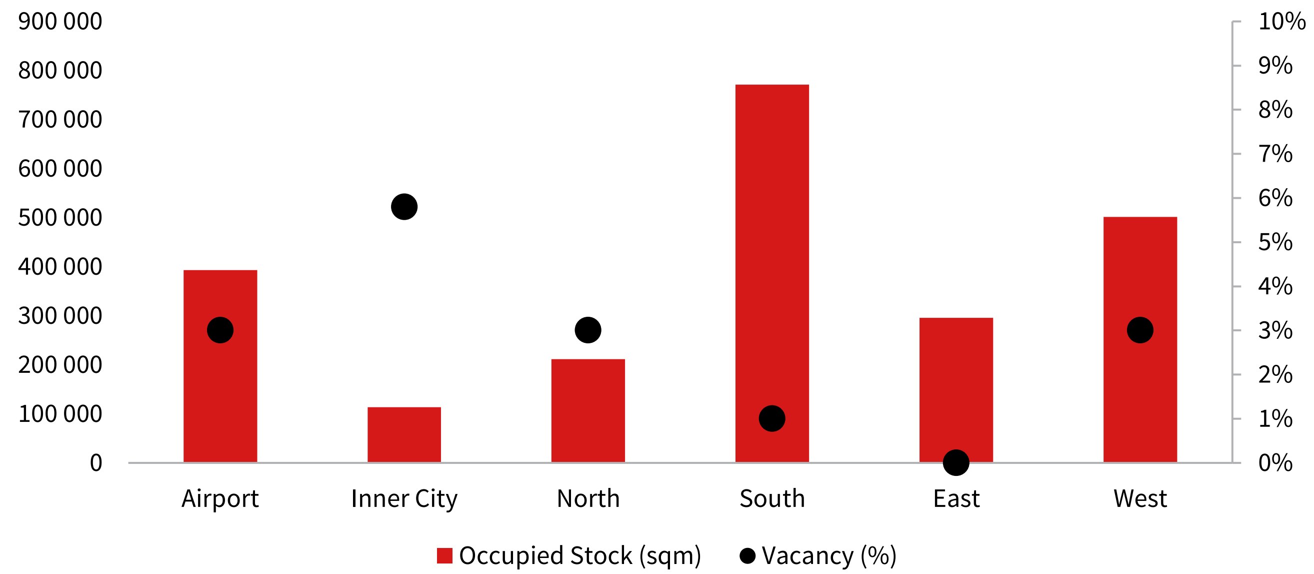
Stock and vacancy in Greater Budapest



Source: JLL, Q3 2020

In terms of submarkets, the lowest vacancy relative to stock is recorded in Budapest East with 0.2%, followed by Budapest South with 0.8%. Out of the six industrial submarkets, Inner City recorded the highest vacancy rate at 5.9%.

Vacancy by submarkets in Greater Budapest (sqm)

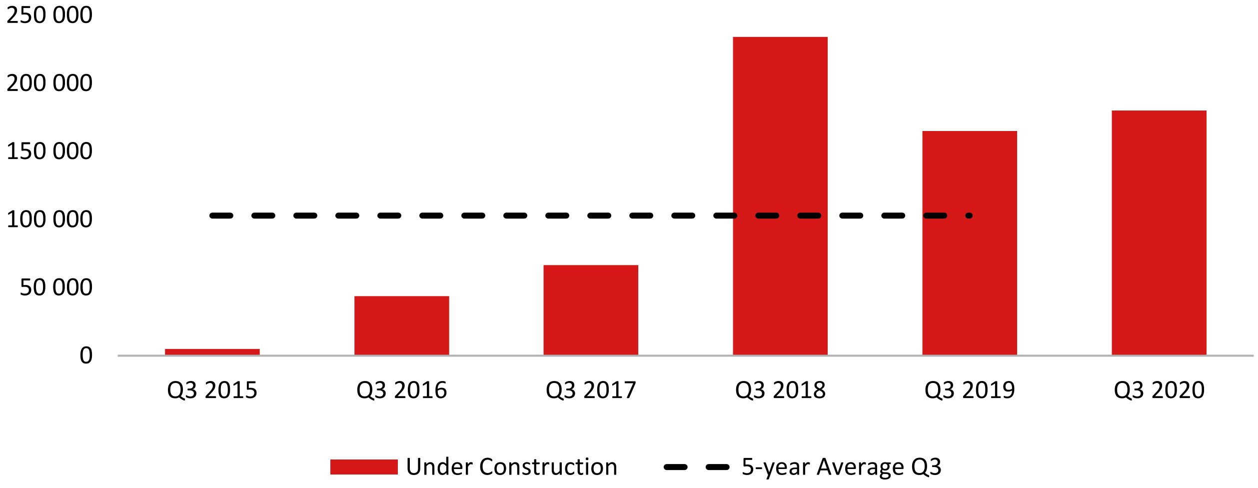


Source: JLL, Industrial Research Forum, Q3 2020

7.1.4 Future supply overview

Currently there is ca. 180,000 sqm of space under construction at the end of Q3, with delivery expected between Q4 2020 and the end of 2021. Out of this volume approximately 50% is already pre-let. Speculative developments are common in the market, with speculative space mainly developed by Prologis and CTP. On the other hand, the steadily increased construction prices of the past years have motivated developers to rather start to focus on BTS projects than speculative developments.

Projects Under Construction in Greater Budapest Q3 2015 – Q3 2020



Source: JLL, Q3 2020

Due to the increased demand for logistics space, developers are actively working on expanding the development potential, therefore construction activity is also dynamic in the Hungarian regions.

Development under construction in Greater Budapest with completion 2020/2021

Submarket	Developer	Industrial Park	Size (sqm)	Available	Pre-leased	Delivery
West	CTP	CTPark Budapest West	30,300	15,600	49%	2020 Q4
East	CTP	CTPark East	39,000	39,000	0%	2020 Q4
East	Weerts	Budapest East BP	12,400	0	100%	2020 Q4
West	NIPUF	Inpark Páty	3,600	0	100%	2020 Q4
West	NIPUF	Inpark Páty	6,600	0	100%	2020 Q4
South	Budapest Dock Szabadkikötő	Budapesti Szabadkikötő	12,900	1,700	87%	2021 Q2
South	CTP	CTPark South	36,400	0	100%	2021 Q2
East	Weerts	Budapest East BP	34,000	0	100%	2021 Q2
East	WING	East Gate Business Park	9,200	6,300	32%	2021 Q2

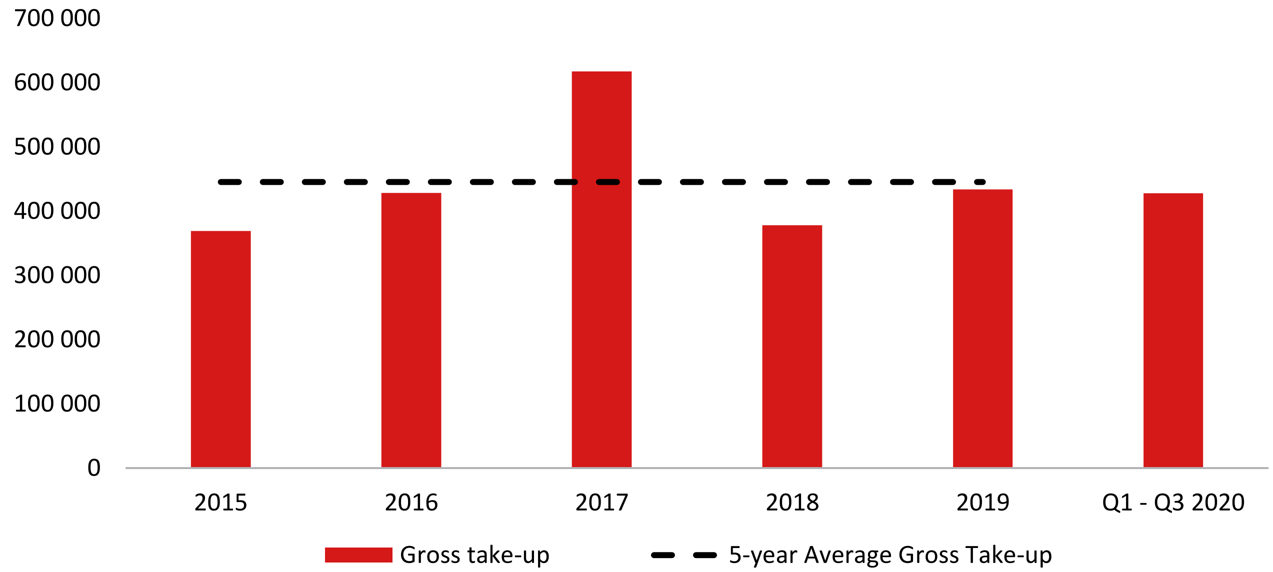
Source: JLL, Q3 2020

7.2 Demand dynamics

7.2.1 Take-up overview

After the global financial crises, during 2014 the negative trends started to change and increased demand return in 2015 and 2016. In 2017 gross take-up reached a record volume of nearly 618,000 sqm. In 2018, total leasing activity reached 377,950 sqm, 11% higher than the 10-year average annual demand volume but 38% lower than the record volume of 2017. Net take-up amounted to 171,310 sqm in the same year. As the vacancy rate of the market reached a record-low level it has become more difficult for tenants to find immediately available industrial space in Greater Budapest which may, in turn, constrain take-up.

Gross Take-up in Greater Budapest 2015 – Q3 2020



Source: JLL, Q3 2020

Key New Leasing transactions in Greater Budapest in 2015 - Q3 2020

Submarket	Industrial Park	Size (sqm)	Type
Airport	Üllő Airport Logistics Center	64,400	Pre-lease
East	CTPark Budapest East	35,700	Pre-lease
South	CTPark Budapest South	28,500	Pre-lease
West	Inpark Páty	23,400	Pre-lease
East	VGP Alsónémedi	22,000	BTS
East	ProLogis Park Budapest-Gyál	19,600	New Lease
East	Viktória Business Park Üllő	19,100	New Lease
East	Viktória Business Park Üllő	18,400	New Lease
North	East Gate Business Park	17,800	New Lease
South	Prologis Park Budapest – Harbor	13,500	New Lease

Source: JLL, Q3 2020

In Q3 2020, total gross take-up in Greater Budapest reached 176,900 sqm, 14% higher than the previous year's Q3 volume, bringing the Q1 - Q3 2020 volume to 427,700 sqm which is 30% higher than the figure registered in the same period a year before.

Renewal agreements accounted for 35% in Q1 – Q3 2020, followed by new leases with a share of 27%, pre-lettings (27%) and expansions (10%). In Q3 2020 take up excluding renewals added up to 124,250 sq m.

In the third quarter of 2020, 24 leasing transactions were recorded, out of which six agreements were signed for more than 10,000 sqm. The average lease size was 7,400 sqm during the quarter. One transaction was registered at city logistics parks (1,400 sqm). Average transaction size at logistics parks was 7,600 sqm; out of the 8 deals exceeding the average size only two were renewals of expiring leases.

Key Leasing Transactions in Greater Budapest Q1 – Q3 2020

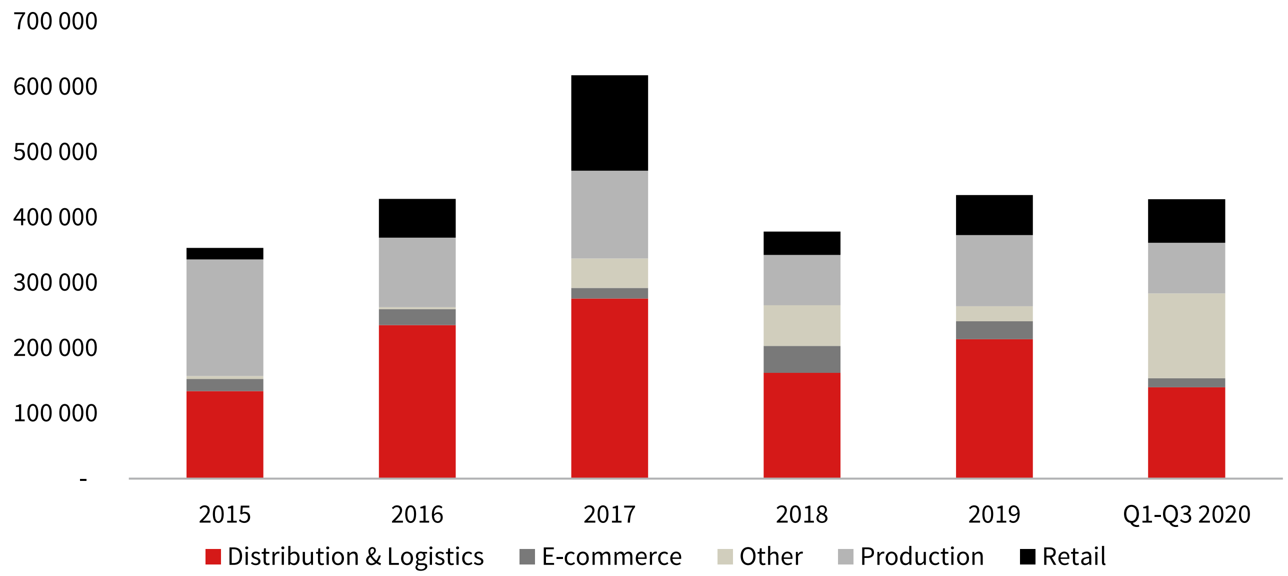
Submarket	Industrial Park	Size (sqm)	Type
East	CTPark Budapest East	35,700	Pre-lease
South	Batta Park	28,600	Renewal
South	CTPark Budapest South	28,500	Pre-lease
South	Prologis Park Budapest - Sziget	24,800	Renewal
South	Prologis Park Budapest - Sziget	20,800	Expansion
East	Viktória Business Park Üllő	19,100	New Lease
East	Viktória Business Park Üllő	18,400	New Lease
North	East Gate Business Park	17,800	New Lease
West	Prologis Park Budapest – M1	15,900	Renewal
South	Prologis Park Budapest – Harbor	13,500	New Lease
South	Prologis Park Budapest – Harbor	12,300	Renewal

Source: JLL, Q3 2020

Each of the three largest lease agreements were in excess of 25,000 sqm: a 35,700 sqm pre-lease was signed by Lenovo at CTPark Budapest East, a 28,600 sqm renewal was closed by Ceva at Batta Park and a 28,500 sqm pre-lease was concluded by a confidential client at CTPark Budapest South.

7.2.2 Take-up by business sectors

Gross Take-up by Sectors in Greater Budapest 2015 – Q3 2020

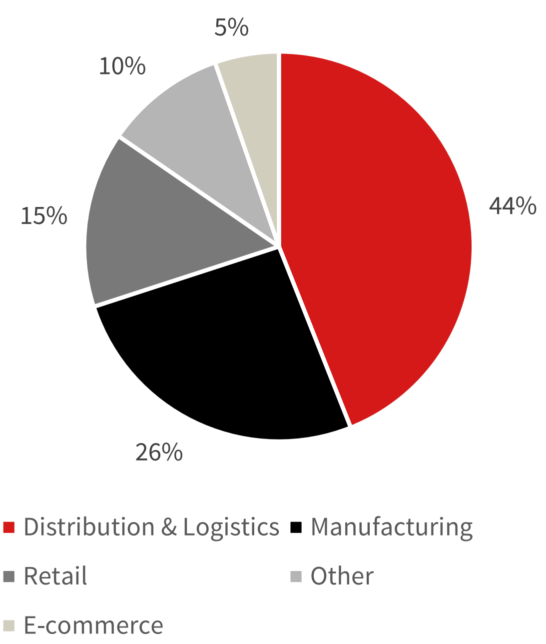


Source: JLL, Q3 2020

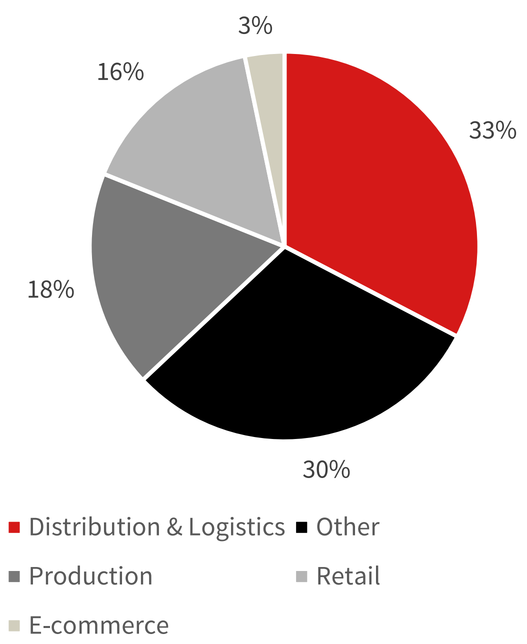
Project Carrera

The dominant business sector in Greater Budapest over the period of 2015-Q3 2020 included distribution and logistics with 44% share on the take-up over the period 2015 to the end of September 2020. The second most active groups represent production and manufacturing companies who followed with 26% of the take-up in the last five years. Retailers accounted for 10% and e-commerce for 5% of the take-up. During Q1-Q3 2020, retailers increased their share to 16%, as they were shifting more sales to online due to closure of physical stores stemming from the pandemic.

Take-up by business sectors 2015-Q3 2020



Take-up by business sectors Q1-Q3 2020



Source: JLL, Q3 2020

7.2.3 Evolution of net take-up from 2015 to September 2020

2015	2016	2017	2018	2019	5-year average (2015-2019)	Q1-Q3 2020
174,700 sqm	206,600 sqm	273,400 sqm	171,300 sqm	203,700 sqm	**205,900 sqm**	279,100 sqm

Source: JLL, Q3 2020
Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

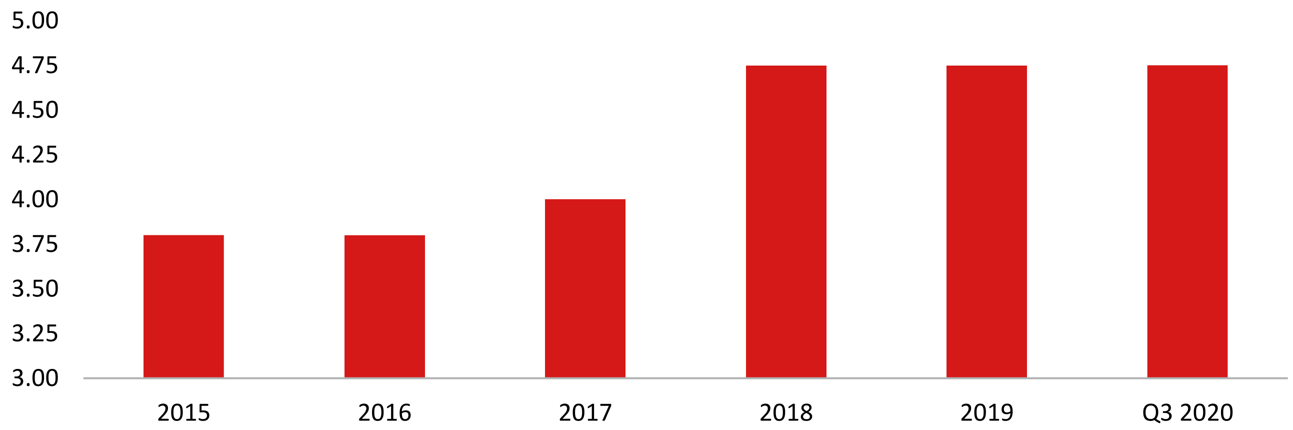
7.3 Rental development

Rental levels vary depending on the size of the leased space, the logistic park's condition and its location. During the past couple of years due to high vacancy levels and subdued occupiers' activity, rental levels in Greater Budapest were under pressure, however as the market started to become more active again, rents began to move on a growth path.

In Q3 2020, the prime industrial/logistics rents in a typical logistics park stood at € 4.50 - 4.75 /sqm/month. The inner-city logistics locations represent a small, independent market inside of Budapest, therefore the rents are higher on these assets than in other locations, with a recorded prime rent of € 6.00 /sqm/month.

Average rents of existing buildings usually vary between 4.00 - 4.75 €/sqm/month showing approximately 2% increase during the past 12 months.

Prime Industrial/logistics rents in Greater Budapest (EUR/sqm/month)



Source: JLL, Q3 2020

8 Slovak Industrial Occupational Market[20]

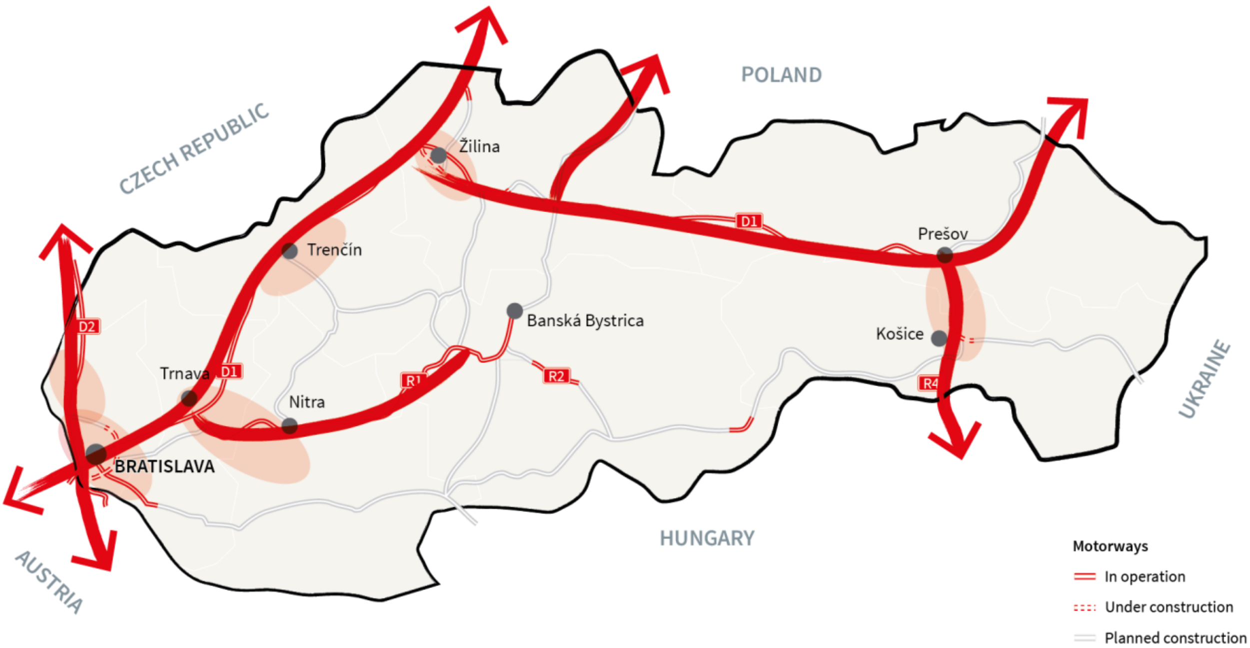
8.1 Supply dynamics

8.1.1 Main industrial hubs and corridors within Slovakia

Slovakia, along with its capital city Bratislava, are centrally located within the wider European market and benefits from a well developed highway and rail system. Further improvement of motorway infrastructure connecting the country to the East is also continuing.

The present infrastructure is in the process of intensive development and modernization. In order to promote further economic expansion and attract foreign investments, the Slovak government is following up on the priority of connecting the western and eastern part of Slovakia with a highway running between the cities of Bratislava and Kosice.

Major Transport Corridors in Slovakia and Logistics Hubs



Source: JLL, Q3 2020

The majority of Slovak industrial stock is located within the Bratislava region. Companies benefit mainly from the advantages that the region can offer – relatively high education levels, well-developed technical and road

20 In this section, Slovak industrial market data refers to modern stock of logistics and light industrial use of A Class quality owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data includes transactions of all sizes. Therefore, the data in this section is not comparable with the data in the European Industrial Occupational Market section (Section 4) where take-up refers to net take-up (excluding renewals) and is based on transactions involving units of 5,000 sqm and above only.

infrastructure, foreign investment activity and strong demand for goods and services. It is the first region in Slovakia where trade and services have overtaken industrial production.

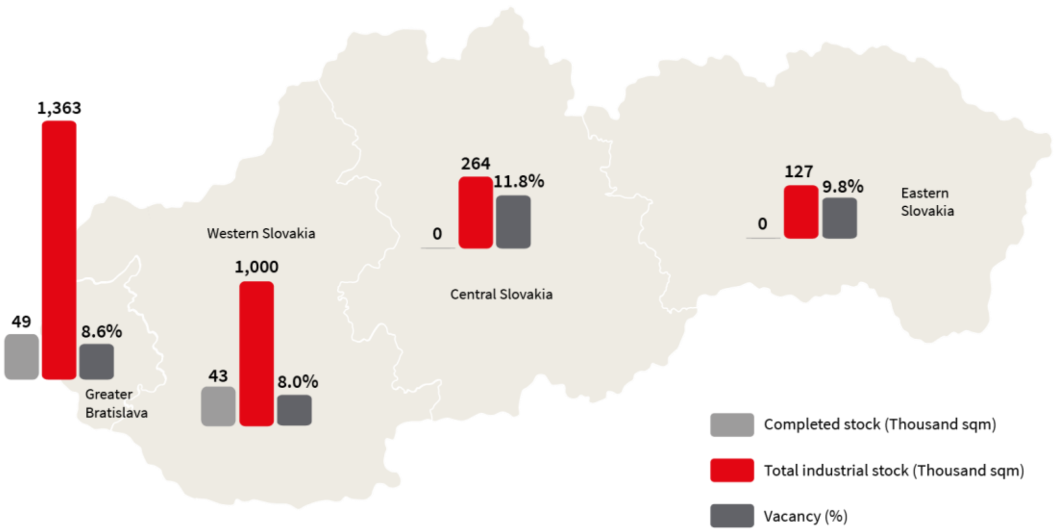
Overall Industrial Market Statistics of Slovakia (Q3 2020)	
Total stock	2,754,600 sqm
New supply completed in Q1 – Q3 2020	92,500 sqm
Space Under Construction	195,000 sqm
Gross Take-up in Q1 – Q3 2020	191,700 sqm
Net Take-up in Q1 – Q3 2020	136,800 sqm
Vacancy rate	8.7%
Prime rent	4.70 EUR/sqm/month

Source: JLL, Q3 2020

8.1.2 Stock and supply

By the end of Q3 2020, the total modern industrial & logistics stock in Slovakia stood at 2.75 million sqm. Western Slovakia (including Greater Bratislava) accounted for almost 86% of total stock. Greater Bratislava is the largest of the Slovak industrial regions with almost 50% share of the country's supply. On the other hand, only 9% of the recorded stock is in Central Slovakia and 5% in Eastern Slovakia.

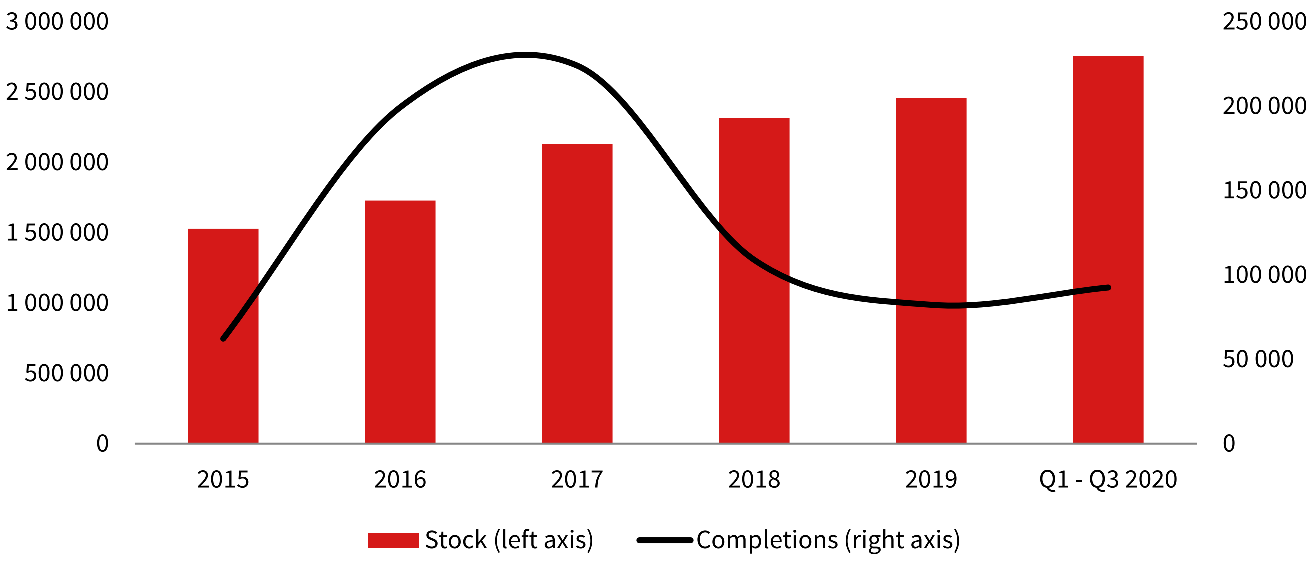
New Supply and Total Stock Distribution



Source: JLL, Q3 2020

Currently, the majority of logistics space is concentrated in the Western part of Slovakia and the Capital, Bratislava. The area is well served by the D1 and D2 highways, strategically located in the middle of the Vienna - Gyor - Budapest and the Budapest - Bratislava - Brno transport axes. The top logistics locations remain Senec, Bratislava Raca and part of the D2 highway along Devinska Nova Ves and Lozorno. Another large logistics location is situated close to Nove Mesto nad Vahom.

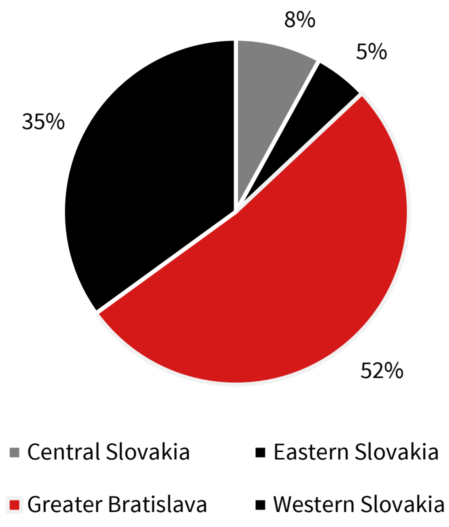
Industrial stock development and completions in Slovakia (sqm)



Source: JLL, Q3 2020

Most of the industrial stock is situated in Greater Bratislava with 1,363,000 sqm, followed by the Western Slovakia region with 1,000,00 sqm. These two regions represent a majority share of the Slovak industrial market. Central Slovakia and Eastern Slovakia regions together account for only 13% of the total share with 391,000 sqm.

Stock by regions (Q3 2020)



Source: JLL, Q3 2020

Largest industrial parks in Slovakia Q3 2020

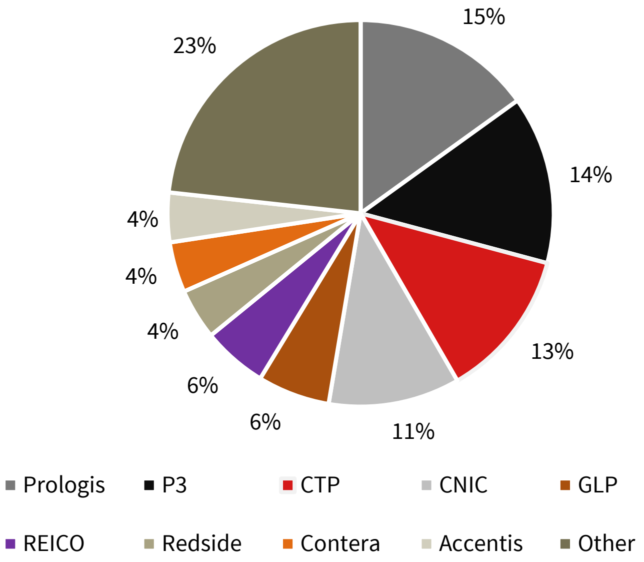
Logistics park	Size (sqm)	Market share
Prologis Park Bratislava	394,400	14%
CNIC Park Galanta - Gáň	240,800	9%
P3 Bratislava D2	219,000	8%
Senec Logistics Centre	144,800	5%
Redside Park Trenčín	117,200	4%
Accentis	114,000	4%
REICO park Dubnica	105,000	4%
P3 Senec	105,000	4%
CTPark Bratislava	102,700	4%
Auto Logistics Park Lozorno	100,700	4%

Source: JLL, Q3 2020

Warehouse Ownership Split

At the end of Q3 2020, the largest property owners in Slovakia include Prologis with a 15% of market share, followed by P3 (14%) and CTP (13%), according to quarterly surveys undertaken by JLL with the industrial property owners in Slovakia.

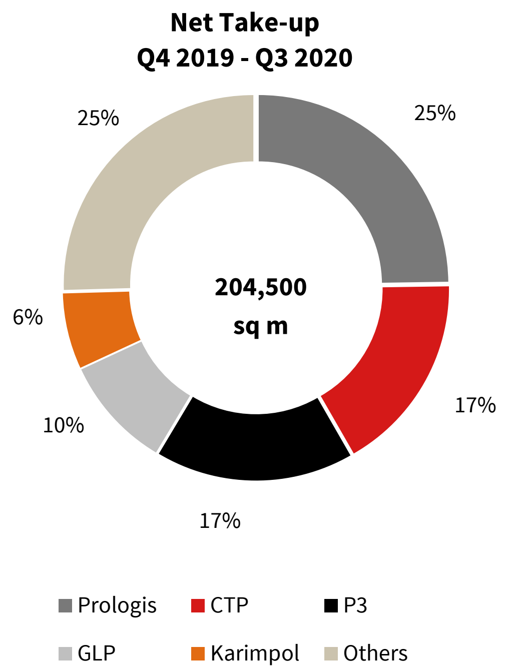
Stock divided by ownership (Q3 2020)

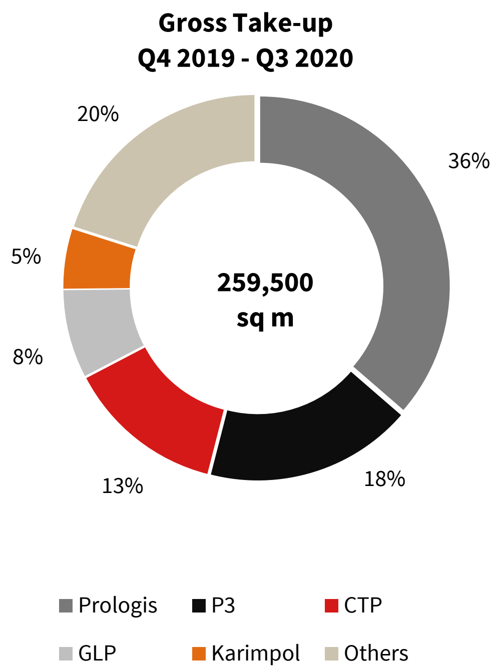


Source: JLL, Q3 2020.

Note: Based on owned use-permitted industrial space (class A)

Industrial Space by Net and Gross Take-up





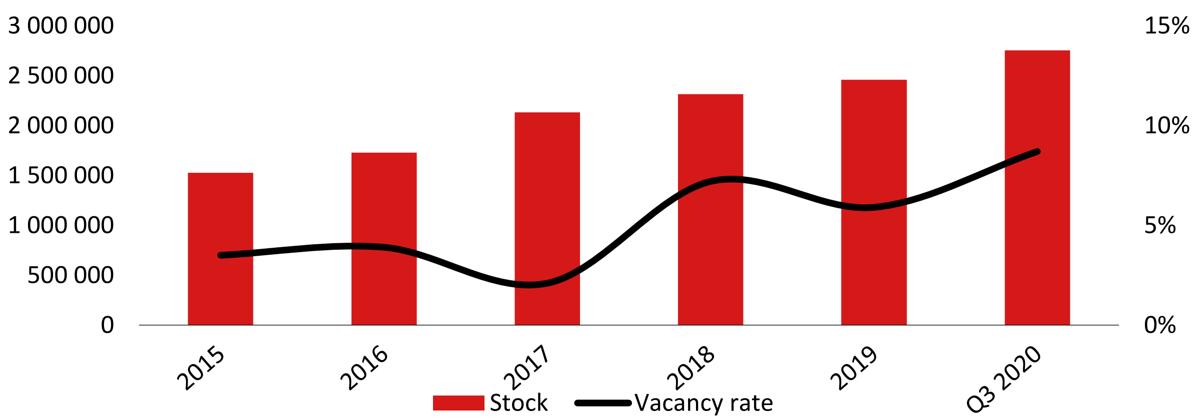
Source: JLL, Q3 2020

Note: Based on owned use-permitted industrial space (class A)

8.1.3 Vacancy

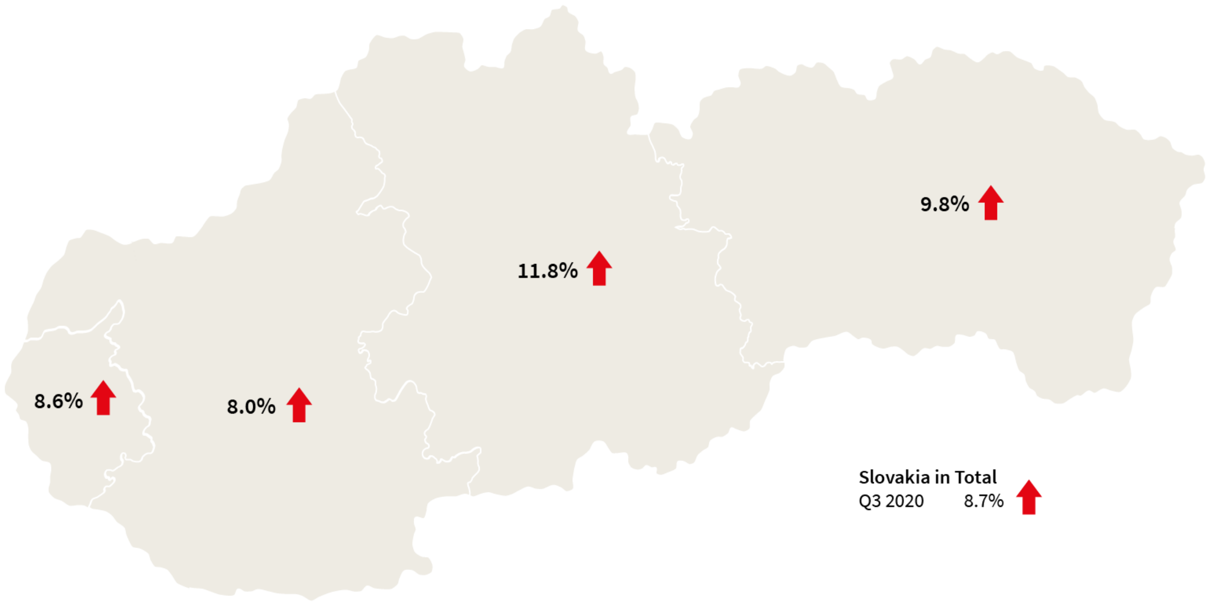
The vacancy rate in Slovakia increased from 5.9% in Q4 2019 to the current level of 8.7% in Q3 2020. Majority of vacant industrial space within existing logistics parks is located in the Greater Bratislava region with nearly 120,000 sqm and in Western Slovakia.

Stock vs. Vacancy in Slovakia



Source: JLL, Q3 2020

Vacancy in Slovakia Q3 2020

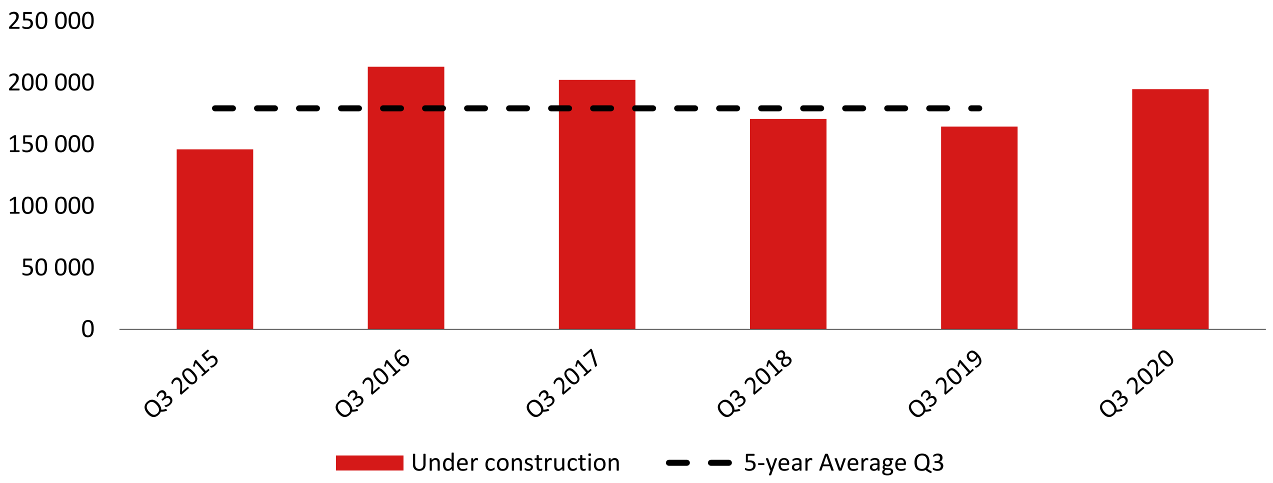


Source: JLL, Q3 2020

8.1.4 Future supply in Slovakia

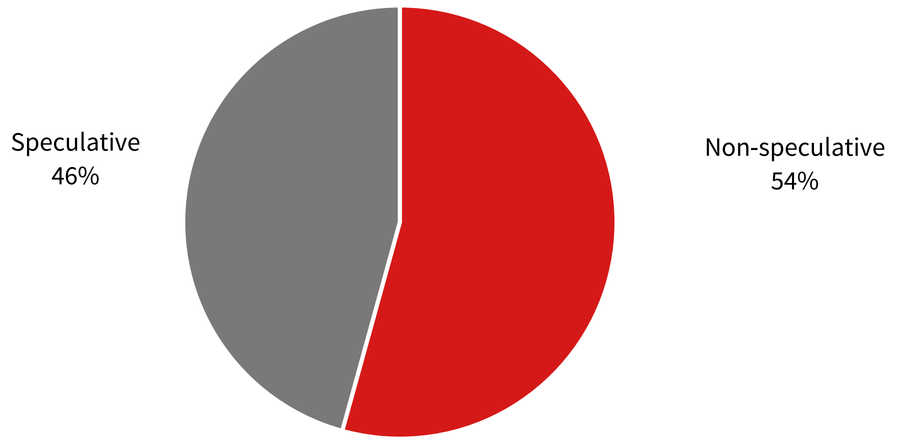
At the end of Q3 2020 the pace of construction remained above the 5-year Q3 average. The total volume of space under construction reached 194,700 sqm in Q3 2020. Compared to the same period of the previous year, the volume of projects under construction increased approximately by 18%. Nearly 1/3 of the space is already finished and pre-leased, awaiting operation permits. Approximately 89,000 sqm was being built speculatively.

Projects Under Construction in Slovakia



Source: JLL, Q3 2020

Non-speculative vs. speculative development in Slovakia (Q3 2020)



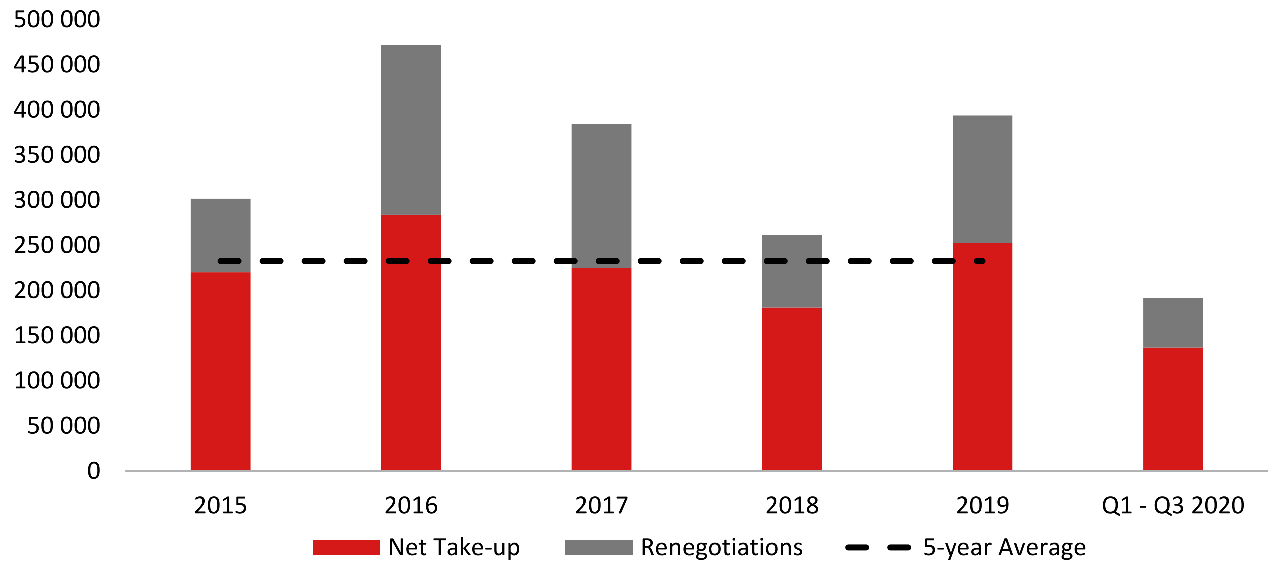
Source: JLL, Q3 2020

8.2 Demand dynamics

In 2019, gross take-up in Slovakia reached 393,800 sqm. It was the second best result after 2016 over the 5-year period. Net take-up amounted to 252,700 sqm, showing an increase of 40% y-o-y.

In Q1-Q3 2020 gross take-up recorded 191,800 sqm. Net take-up reached the level of 136,800 sqm. Compared to the same period last year, the gross take-up decreased by 41% and net take-up declined by 26%. The annual comparison shows a steeper decline due to the very strong 2019 levels.

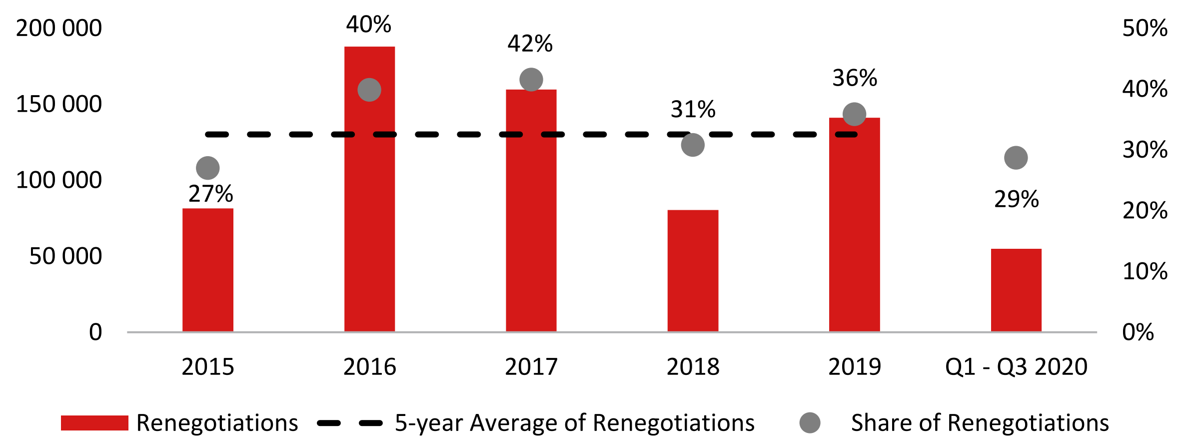
Take-up by Type of Lease in Slovakia (sqm) 2015 – Q3 2020



Source: JLL, Q3 2020

Over Q1-Q3 2020, the share of renegotiations reached 29% which is below the 5-year average. The highest share was registered in 2016 and 2017 when it stood at approximately 40% and 42% respectively.

Share of Renegotiations in Slovakia (sqm) 2015 – Q3 2020



Source: JLL, Q3 2020

8.2.1 Evolution of net take-up from 2015 to September 2020

2015	2016	2017	2018	2019	5-year average (2015-2019)	Q1-Q3 2020
220,200 sqm	284,000 sqm	224,800 sqm	180,900 sqm	252,700 sqm	**232,500 sqm**	136,800 sqm

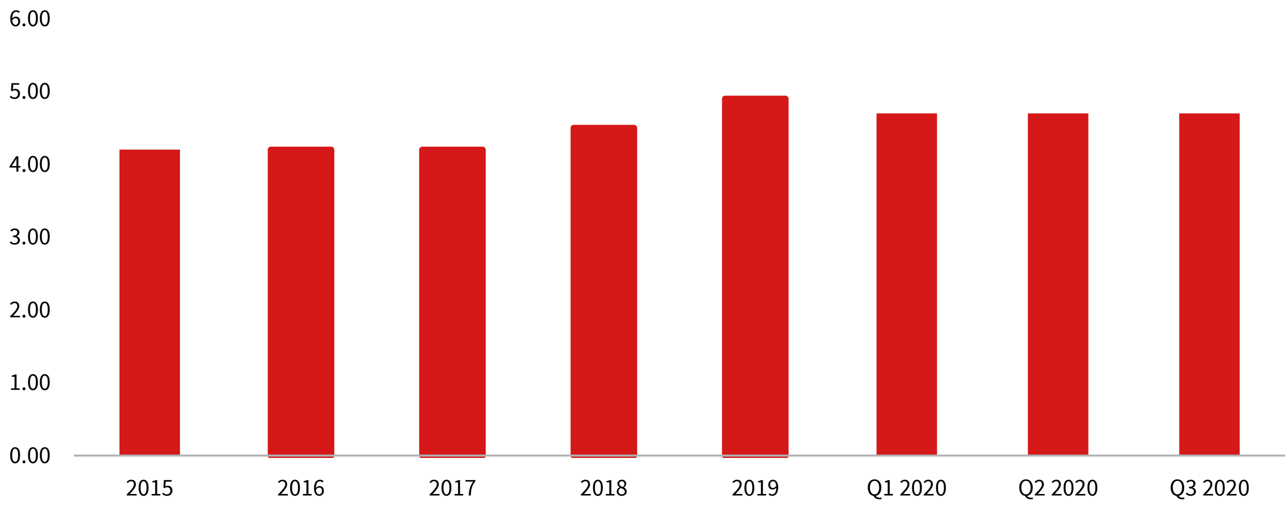
Source: JLL, Q3 2020
Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

8.3 Rental development

Headline rents continue to show a decreasing tendency in all regions across the country. This is due to increasing competition among developers, relatively high vacancy and the economic slowdown caused by the COVID-19 pandemic related measures and restrictions. All these factors, combined with general uncertainty, have created further pressure on rental levels.

Tenants continue to benefit from competitive incentive bonuses provided by developers and therefore enjoy lower effective rates. Rent free periods and fit-out contributions remain the most preferred incentives. It is not uncommon that 12+ rent free months along with additional incentives are provided to tenants in case of long lease contracts (10+ years), especially in locations with higher density of active developers.

Prime industrial/logistics rents in Slovakia/Bratislava (EUR/sqm/month)



Source: JLL, Q3 2020

Rents in prime locations of Bratislava have kept their highest levels, while the lowest rates are being reported in highly competitive regions of Greater Bratislava and Western Slovakia. The table below shows logistics and industrial rents in the Slovak regions as of Q3 2020.

Project Carrera

Location	Prime rent from	Prime rent to
Bratislava – Prime locations	€ 4.00	€ 4.70
Greater Bratislava	€ 3.30	€ 4.00
Western Slovakia	€ 3.25	€ 3.85
Central Slovakia	€ 3.45	€ 3.90
Eastern Slovakia	€ 3.45	€ 3.80

Source: JLL, Q3 2020

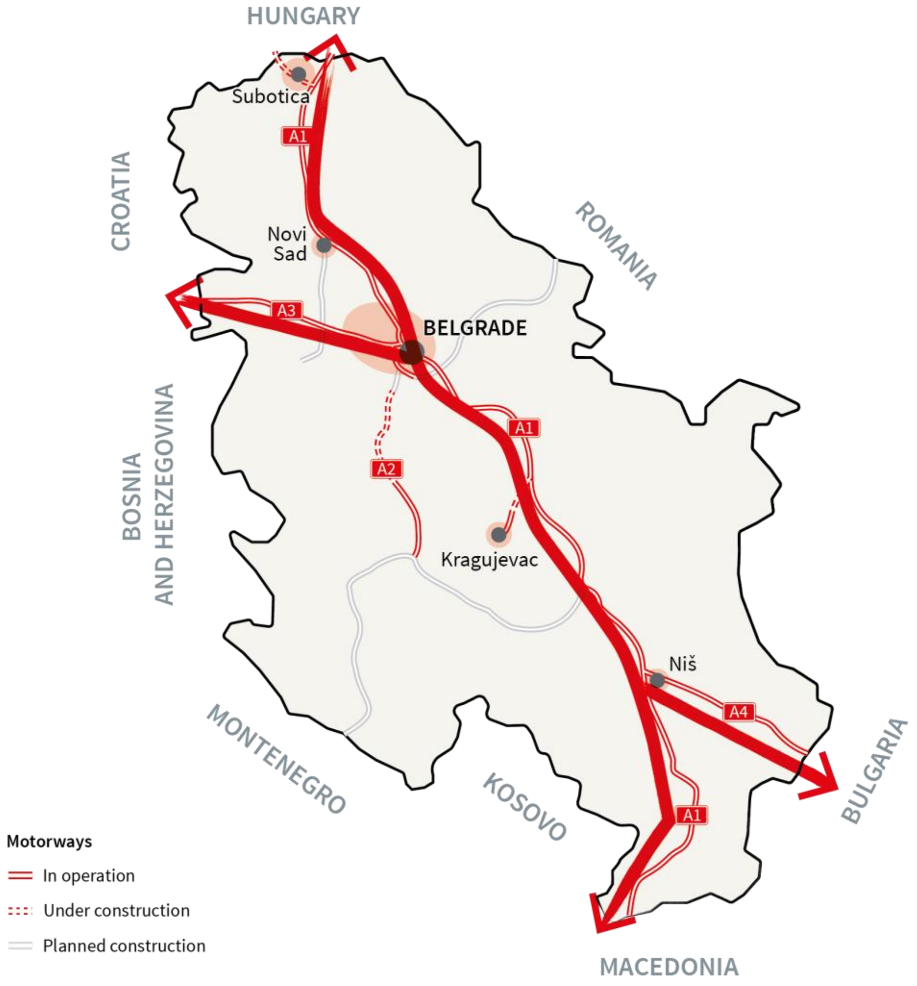
9 Serbian Industrial Occupational Market

9.1 Supply dynamics

9.1.1 Main industrial hubs and corridors within Serbia

Belgrade and its wider area are among the most developed submarkets in the country. Therefore, modern logistics facilities in Serbia are mainly concentrated in the wider Belgrade city area, in the northern outskirts, adjacent to the E75 and E70 highways and close to the International Airport - Nikola Tesla. In addition, most of the land for distribution warehouses and light industrial properties are located along important traffic links, along the path of expanding transport corridors, and in the Port of Belgrade on the Danube River.

Serbian Major Transport Corridors



Source: JLL, Q3 2020

Overall Industrial Market Statistics of Serbia (Q3 2020)	
Total stock	915,000 sqm
New supply completed in Q1 – Q3 2020	60,000 sqm
Space Under Construction	20,000 sqm
Gross Take-up in Q1 – Q3 2020	n/a
Net Take-up in Q1 – Q3 2020	n/a
Vacancy rate	n/a
Prime rent	4.50 EUR/sqm/month

Source: JLL, Q3 2020

9.1.2 Stock and supply

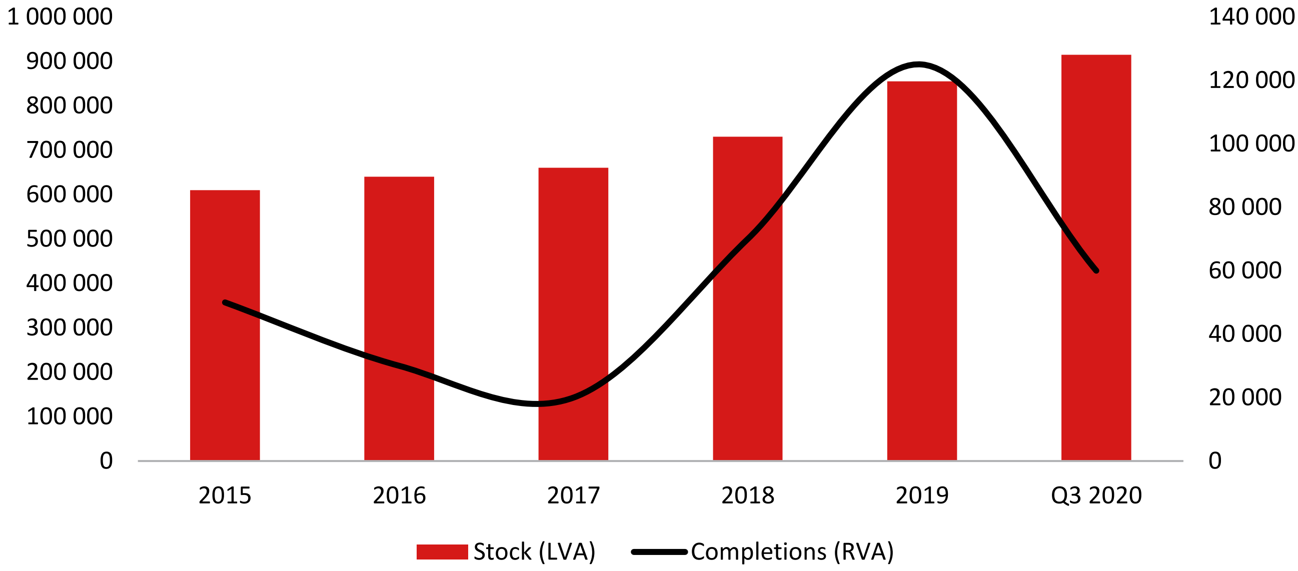
At the end of Q3 2020, the total modern A-class industrial stock in the Serbia (owned by developers and investors) reached 915,000 sqm. In the third quarter of 2020, new supply of logistics facilities in attractive locations of Serbia's capital was recorded, with the most notable addition being Roaming's distribution warehouse in Surčina. The development of production facilities in the secondary cities also continued in Q3 2020, with several new production buildings being completed. Namely, one Spanish and one French company have completed their facilities in the field of automotive and aviation industries, respectively.

The largest recent logistics completion on the market was the second phase of the Sport Vision complex in Šimanovci comprising a 16,000 sqm wholesale building. Another notable completion in the area was the delivery of the fifth phase of Industrial Park Belgrade, spreading over 15,700 sqm.

Outside the Greater Belgrade area, activity was mostly focused on the light industrial segment of the market, with several deliveries, such as 25,000 sqm CTPark Novi Sad developed for BMTS Technology by CTP, a 13,000 sqm facility in Loznica by automotive seating supplier Adient and the Vorwerk and Sohn facility in Čačak.

Due to low market transparency, vacancy is not monitorable in Serbia. However, it is expected there to be minimum available space especially in modern logistics schemes across the country.

Industrial stock development and completions in Serbia (sqm)



Source: JLL, Q3 2020

9.1.3 Future supply in Serbia

Construction activity remains strong and along with the stable foundations set prior to COVID-19 crisis the market construction activity remained almost intact, with new industrial, logistics and production facilities on the way. The industrial market has been the least affected sector during the Covid-19 pandemic. During the second quarter of the year 2020, this segment recorded the completion of several schemes on the market, as well as further announcments of projects in the pipline and some projects starting on-site.

Currently the largest building under construction in the capital is CTP's fifth project in Serbia, namely the CTP Park Belgrade North located in Novi Banovci. Currently, works are underway on the second building of this project, which will spread over around 20,000 sqm. According to the planned project, CTP Park Belgrade North should include three buildings with a total of 70,000 sqm.

Earlier this year several developers communicated further space expansions in the greater Belgrade area, which are still in planning phase. An Austrian developer, Eyemaxx, plans to develop a third logistics building in Stara Pazova spreading over 18,000 sqm, while in secondary areas of the country, Milšped announced the construction of an additional logistics facility in Niš. Furthermore, Bulgarian company, Sopharma Trading, plans to build a logistics center in Stara Pazova.

Future projects in Serbia

Project	City	Type	Size (sqm)	Status
CTPark Belgrade North	Novi Banovci	Speculative	20,000	Under construction
Eyemaxx	Stara Pazova	Speculative	18,000	Planned
Milšped	Niš	Speculative		Planned
Sopharma Trading	Stara Pazova	Owner Occupied		Planned

Source: JLL, Q3 2020

Unlike the facilities which were opened in this quarter, several industrial schemes with much larger investment volume are progressing. One a such project is the the second facility within the CTPark Kragujevac, developed for a leading automotive interiors supplier, Yanfeng, which will spread around 30,000 sqm. An additional example is the construction of the factory in Niš by a Chinese company, Xingyu Automotive Lighting Systems. The company plans to invest €60 million in this facility which is scheduled to open in April 2021. Another significant investment is progressing in Smederevska Palanka where the South Korean company, Kyungshin Cable, will invest around €24 million in a car parts production facility which should be opened in the begining of 2021. Several other foreign companies in the field of automotive parts and equipment have started construction works on their facilities. Namely, German SMP Automotive in Ćuprija, Hungarian Tisza Automotive in Kikinda and Italian Fluid Technology in Priboj. Among the most notable announcements is Toyo Tires which announced the construction of its facility in Inđija. The company announced its plans of investing €400 million in the facility.

9.2 Demand dynamics

Demand in the market remained strong and was mostly driven by the companies in market segments which have been less affected by the changing conditions caused by COVID-19, such as FMCG. While some deals in the early stages have been postponed, more advanced transactions have been closed, with strong demand recorded during the Q3 2020, driven by light industrial companies.

Whilst occupational demand from sectors including general goods, the pharmaceutical industry, manufacturing and complementary sectors is expected to remain resilient, the recent surge in online purchasing indicates also e-commerce to likely become a significant driver of demand.

Due to low market transparency, take-up figuers are not monitorable in Serbia.

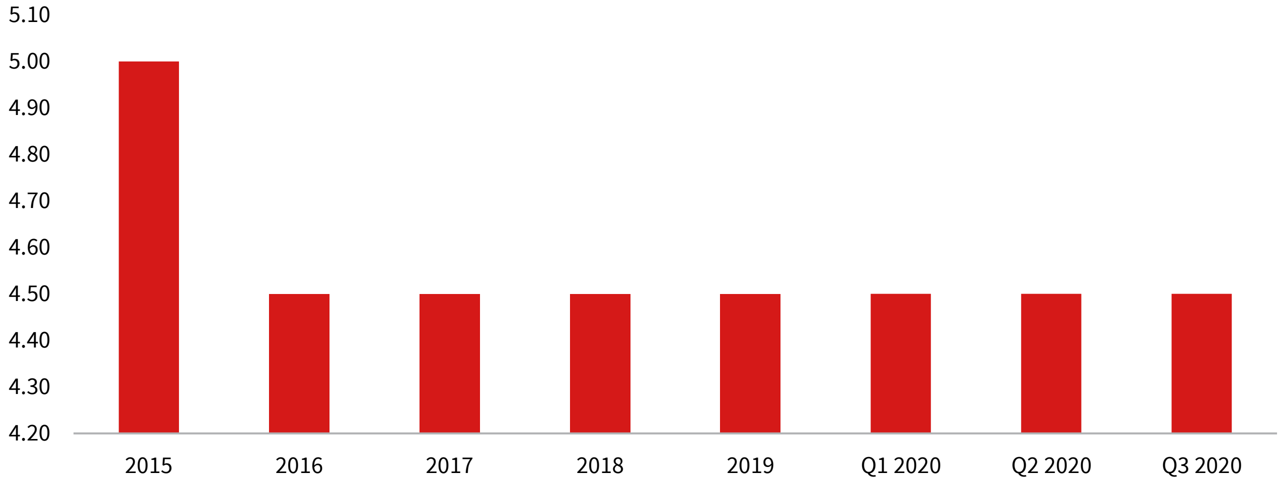
9.3 Rental development

The rental market is very active and most of the modern warehouse hubs are in the north of Belgrade. These areas are Dobanovci, Nova and Stara Pazova, and Simanovci. Over the past years, the prime rental levels in distribution warehouse facilities has been stable with recent transactions on the market indicating rental prices in first-class facilities at €4.50 per sqm monthly, while the rental level in less attractive facilities remained in the range of €1.5 to €3.0 per sqm monthly.

Project Carrera

The three most popular logistics areas are Subotica, Novi Sad and Belgrade. Nis is also an important area serving the south towards Macedonia, Greece and Turkey. Moreover, it is also close to the important border with Bulgaria, especially with the capital Sofia.

Prime Rents in Belgrade (EUR/sqm/month)



Source: JLL, Q3 2020

Current prime rents in regions

Location	Prime rent from	Prime rent to
Belgrade	€ 3.50	€ 4.50
Novi Sad	€ 3.00	€ 4.50
Subotica	€ 3.00	€ 4.00

Source: JLL, Q3 2020

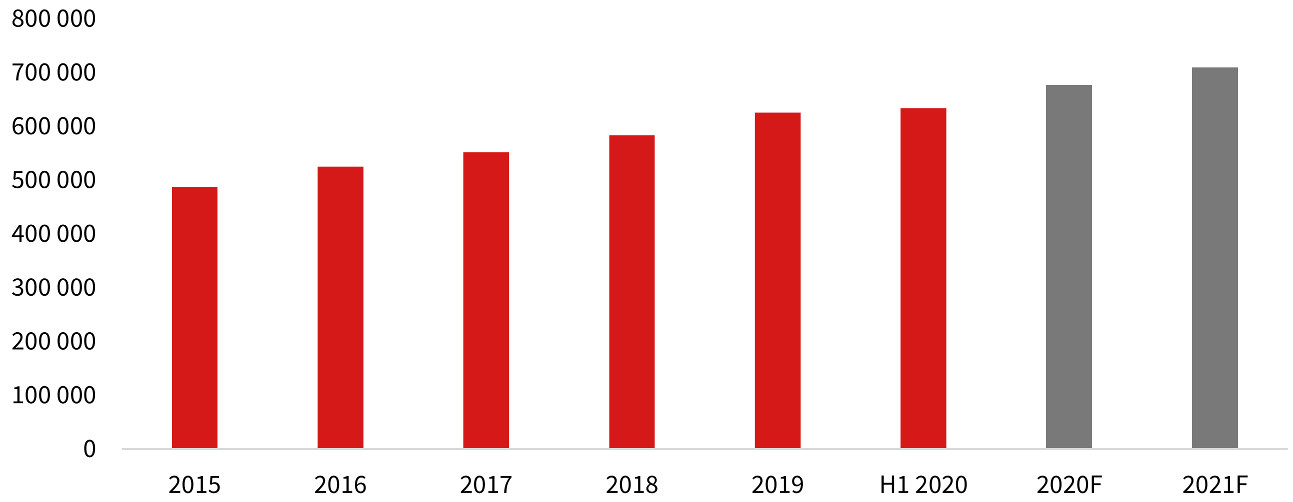
10 Brno Office Occupational Market

Brno is the second largest market for modern office space in the Czech Republic and is relatively well developed. It has a highly educated and well-qualified workforce with lower costs, which has attracted significant foreign direct investment to the city in recent years. The higher level of unemployment compared to the national average in this case increases the attractiveness of the locality.

10.1 Supply dynamics

In H1 2020, the modern office stock in the city of Brno increased to its current level of ca. 634,000 sqm. Modern A class offices cover approximately 84% of the total stock while the remaining 16% consists of B class projects. Similar ratio of 78% to 22% is in favour of newly built buildings in comparison to quality refurbished schemes. The total office stock in Brno is expected to increase to ca. 708,800 sqm at the end of 2021.

Brno Office Stock Development (sqm)

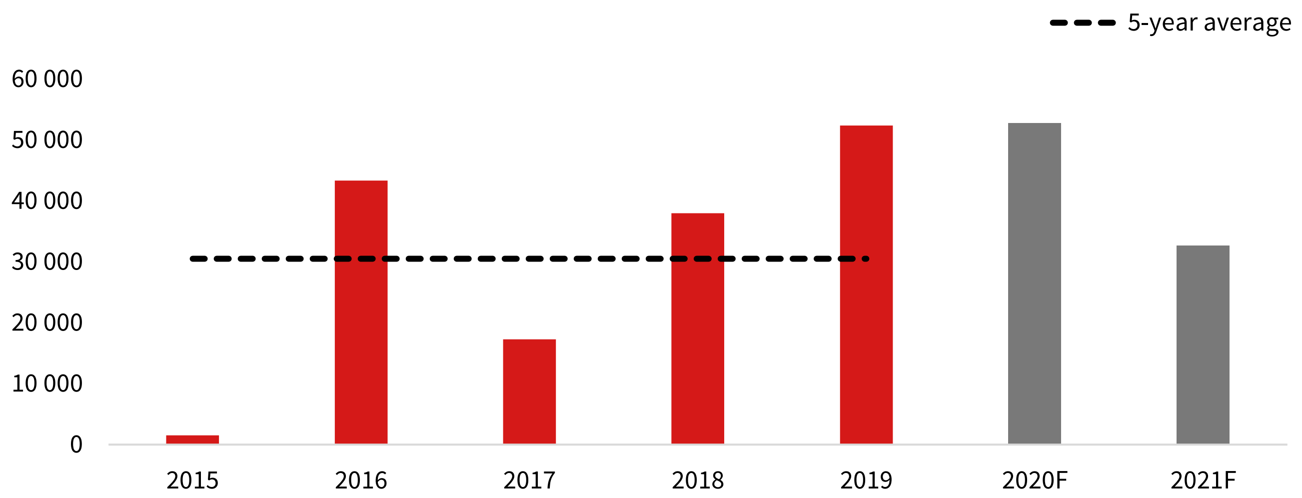


Source: JLL, Regional Research Forum H1 2020

During 2019, six office buildings totalling 52,400 sqm were completed in Brno. New supply included the new construction of Vlněna office park AB (19,100 sqm), Zet.office (19,000 sqm) and the refurbishment of Moravák Brno (4,700 sqm), Babák Office (4,600), Svatopetrská C (3,400 sqm) and Vlněna office park – Bochner Palace (1,600 sqm). In H1 2020, one office project was delivered to the Brno office market. This was the refurbishment of Šumavská Towers B with 10,600 sqm of leasable office space.

During the years 2015-2019, approximately 152,500 sqm of office space was delivered in the Brno office market with an average annual increase of 30,500 sqm.

New Supply Development (sqm)



Source: JLL, Regional Research Forum H1 2020

Currently, there is approximately 74,800 sqm of office space under construction with scheduled completion between the end of 2020 and 2021. The most notable projects under construction include: Titanium II (23,000 sqm), Vlněna office park CD (16,500 sqm) and Areál Slatina building P (15,200 sqm).

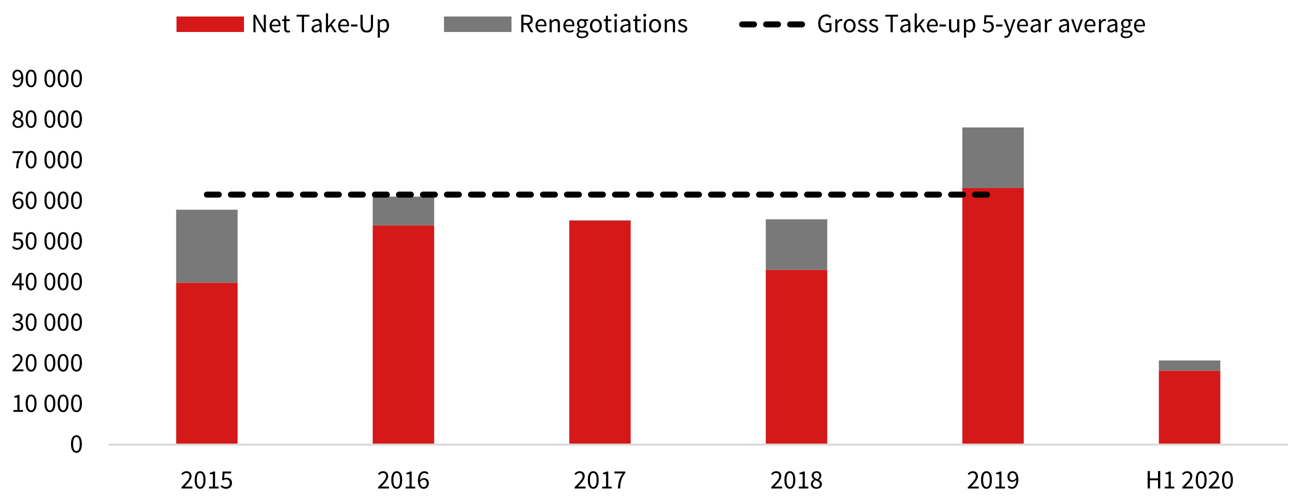
10.2 Demand dynamics

In H1 2020, gross take-up reached 20,800 sqm, a 60% decrease in comparison with H2 2019 and a 22% decrease in a year-on-year perspective. The largest transaction of the first half of 2020 was the new lease of Siemens in Ponávka CTOffice A3 (4,100 sqm). Net take-up, which exclude renewals, amounted to 18,200 sqm (-63% against H2 2019 and +34% in comparison with H1 2019). The largest portion of the gross take-up volume in H1 2020 (excluding undisclosed deals) was signed by Manufacturing and IT sector.

During the years 2015-2019, approximately 307,800 sqm of office space was leased (gross figures) with an average annual gross take-up at 61,600 sqm.

Project Carrera

Take-up Development (sqm)



Source: JLL, Regional Research Forum H1 2020

Major Leasing Deals (2015-H1 2020)

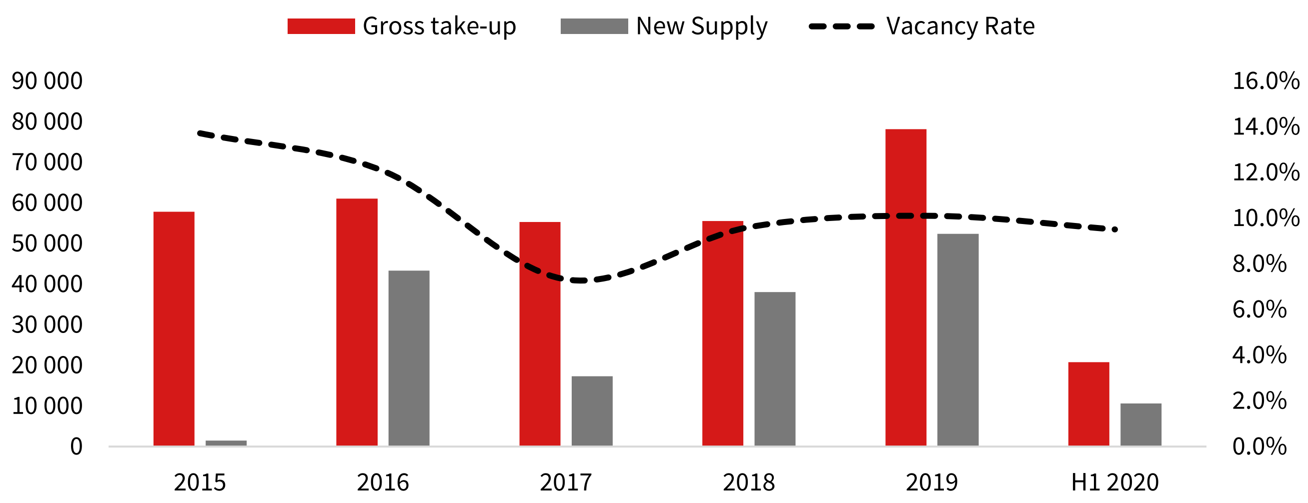
Tenant	Size, sqm	Building	Owner	Type of Lease	Period
IBM	13,000	Technologický Park Brno - DE, FG	Tech.Park Brno	renegotiation	H1 2015
KIWI.COM	10,900	Zet.office	CPI Group	pre-completion	H2 2019
Infosys	9,000	Vlněna office park AB	CTP Invest	new occupation	H2 2019
Avast	8,600	Vlněna office park FG	CTP Invest	pre-completion	H2 2017
Moravia IT	8,500	Vlněna office park AB	CTP Invest	pre-completion	H1 2018
Zebra Technologies	8,400	Vlněna office park CD	CTP Invest	pre-completion	H2 2019

Source: JLL, Regional Research Forum H1 2020

10.3 Vacancy rate

Between 2012 and 2014, due to the strong supply, there was a significant increase in vacancy, as supply exceeded current demand. According to the historical trend, vacancy was expected to increase again in 2016 when was delivered nearly 44,000 sqm of new office space, however, due to economic growth and continued strong demand, this space was absorbed and vacancy at the end of 2017 was at 7.3%, which was the lowest vacancy rate since 2010. This positive trend has continued and there was approximately 60,300 sqm of modern office space vacant at the end of H1 2020. The vacancy rate in H1 2020 decreased to 9.5%, representing a decrease of 60 basis points compared to H2 2019.

Vacancy Rate Development



Source: JLL, Regional Research Forum H1 2020

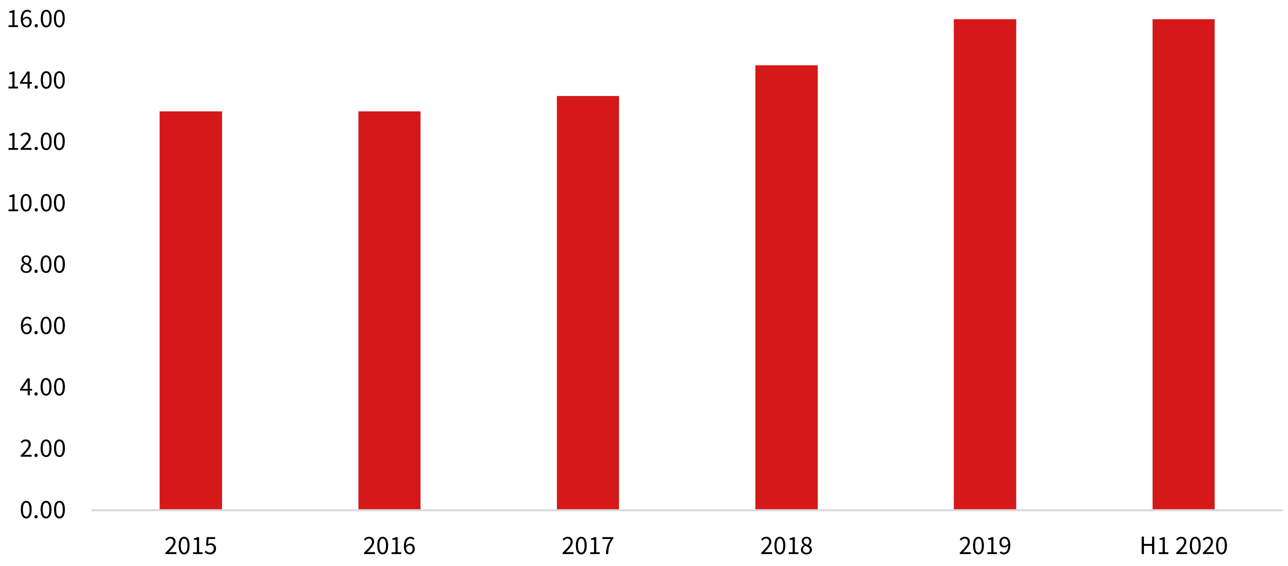
10.4 Rental development

The prime headline rents for A class office space remained stable during H1 2020 and currently oscillate in the range of 15.00 – 16.00 EUR/sqm/month. However, this value represents only a limited part of the stock. In general, modern offices in the Brno market are being currently offered between 11.00 and 13.50 EUR per sqm per month depending on the vicinity to the city center and the overall quality of the project.

The levels of incentives provided to future occupiers are similar to those in the primary market: rent free periods of up to one month per year of lease (or more) and/or fit-out contributions; however, similarly to any other office market, the incentives are subject to individual negotiations.

The service charges are in general around CZK70 - CZK110 per sqm per month depending on the level of ’green’ elements as well as on the number of services included.

Prime Rent Development (EUR/sqm/month)



Source: JLL, Regional Research Forum H1 2020

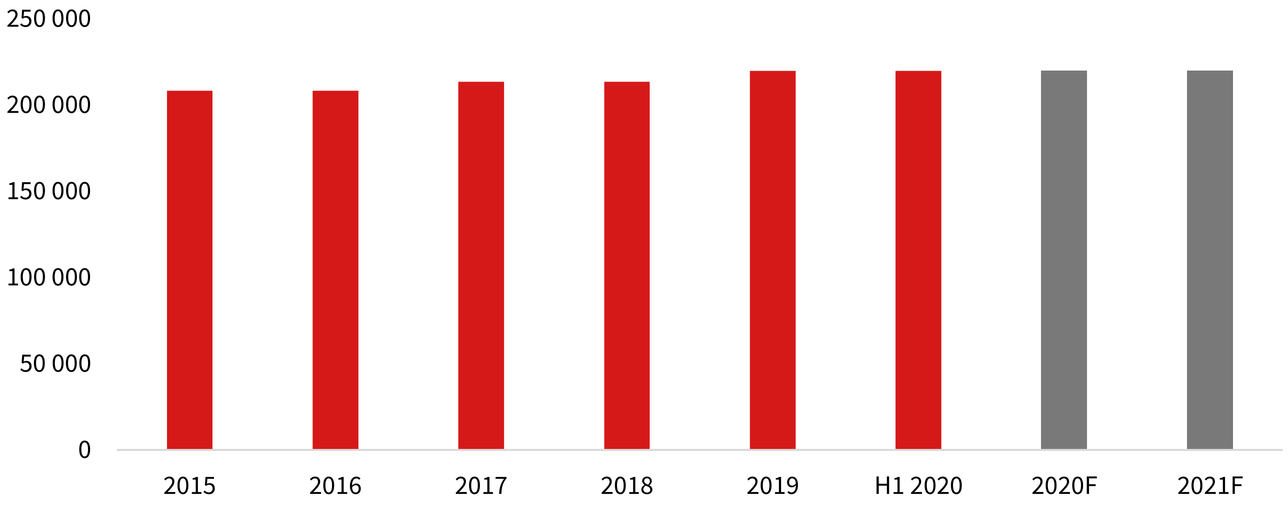
11 Ostrava Office Occupational Market

The office market in Ostrava is the third largest market of modern office space in the Czech Republic, having attracted a number of international companies such as Moneta Money Bank, Česká spořitelna, Okin, Siemens, Certicon, ABB and others. Ostrava is one of the main university cities in the Czech Republic, which is an important factor in international companies' decisions to enter this regional market.

11.1 Supply dynamics

At the end of H1 2020, the total office stock in Ostrava reached 219,800 sqm and consisted of mainly A class, newly built office premises. A class stock stood at 162,600 sqm, 74% of the total modern stock in Ostrava. The share of newly built office schemes stood at 75%, the remaining 25% being refurbishments. The total office stock in Ostrava is expected to remain broadly stable to the end of 2021.

Ostrava Office Stock Development (sqm)

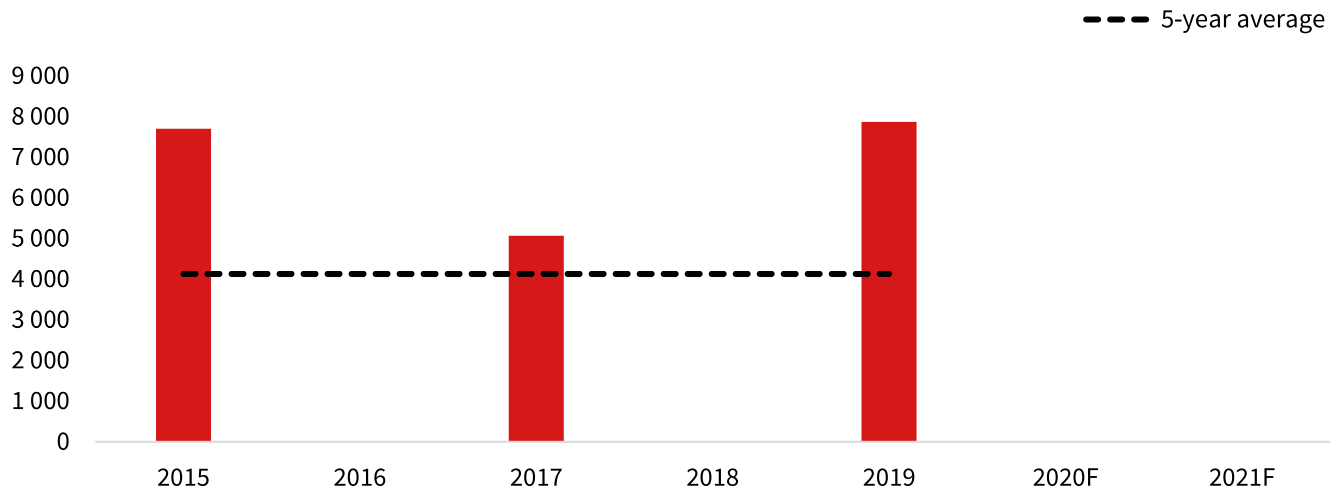


Source: JLL, Regional Research Forum H1 2020

During 2019, three office buildings totalling 7,900 sqm were completed in Ostrava. New supply included the new construction of SIC Skelet – A (4,400 sqm) and SIC Skelet – B (2,000 sqm) and the refurbishment of Poruba Cube (1,500 sqm). There was no new supply during H1 2020.

During the years 2015-2019, only 20,600 sqm of office space was completed in Ostrava office market with an average annual increase of 4,100 sqm. At the same time, based on Regional Research Forum data no new supply is expected during the next 12 months.

New Supply Development (sqm)



Source: JLL, Regional Research Forum H1 2020

Currently, there is approximately 59,600 sqm of office space in the planning stage, but due to the current circumstances it is difficult to preview when construction will commence. In general, the construction activity in Ostrava has been always very limited.

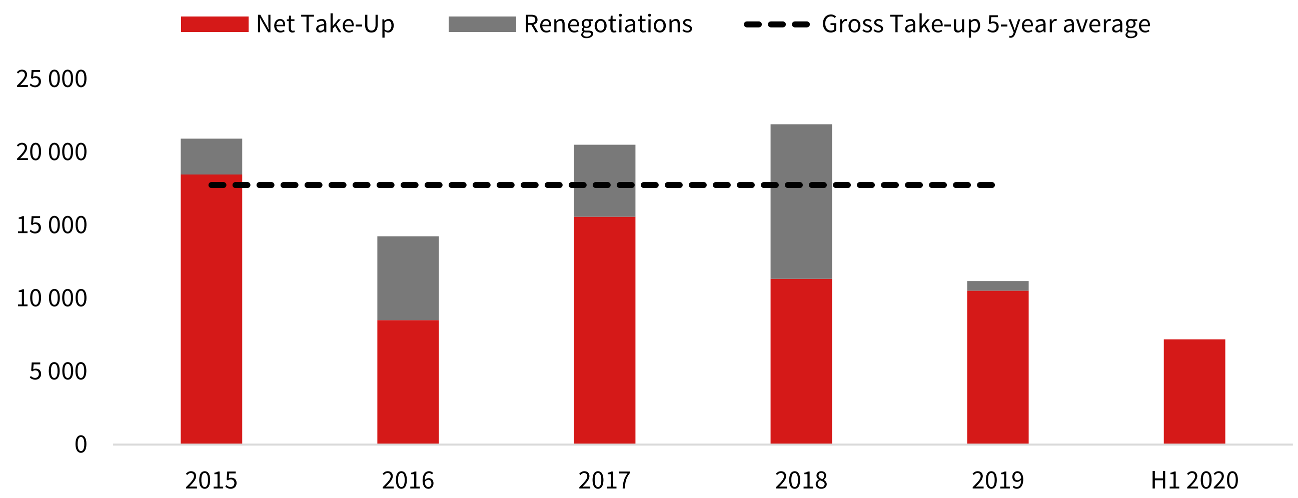
11.2 Demand dynamics

During the whole year 2019, gross demand for office premises totalled 11,200 sqm, representing a decrease of 49% against 2018 results. Net take-up reached 10,500 sqm (-7% y-o-y).

In H1 2020, gross take-up totalled 7,200 sqm which represents a year-on-year slight increase of 1% and an increase of 77% compared to H2 2019. Net take-up, which exclude renewals, amounted to 7,200 sqm (+112% against H2 2019 and +1% in comparison with H1 2019).

During the years 2015-2019, approximately 88,800 sqm of office space was leased (gross figures) with an average annual gross take-up at 17,800 sqm.

Take-up Development (sqm)



Source: JLL, Regional Research Forum H1 2020

Major Leasing Deals (2015-H1 2020)

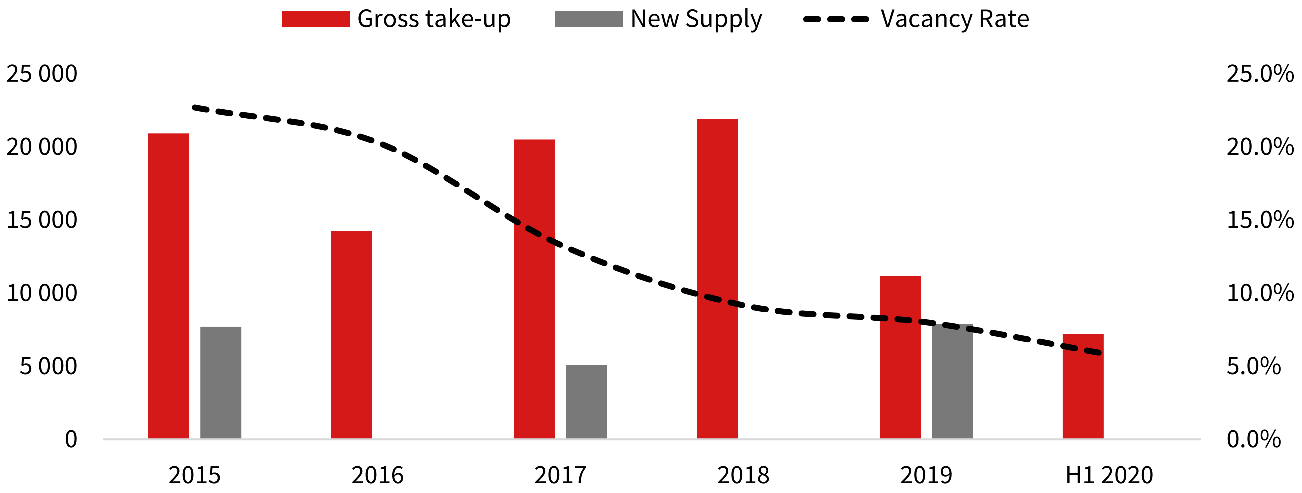
Tenant	Size, sqm	Building	Owner	Type of Lease	Period
OKIN BPS	7,300	The Orchard Ostrava – Bldg 1	BHS Real Estate	renegotiation	H1 2018
Moneta Money Bank	5,700	CTOffice Bld. A	CTP Invest	renegotiation	H1 2016
OKIN Group	4,400	The Orchard Ostrava – Bldg 1	BHS Real Estate	expansion	H1 2015
Undisclosed	4,300	Park Centrum	Czech Private	new occupation	H1 2019
Česká spořitelna	2,600	The Orchard Ostrava - Bldgs 3	BHS Real Estate	renegotiation	H2 2017
GE Money Bank	2,500	CTOffice Bld. B	CTP Invest	renegotiation	H2 2015

Source: JLL, Regional Research Forum H1 2020

11.3 Vacancy Rate

Between 2012 and 2013, due to the strong supply of new office space, there was a significant increase in vacancy, as supply exceeded current demand. In 2013, vacancy reached its peak at 26.0%. Since 2015, due to the limited new supply of office space and economic growth, this vacant space has been absorbed and the vacancy rate has been steadily declining to the current level of 5.8% in H1 2020, which is the lowest vacancy rate since 2010.

Vacancy Rate Development

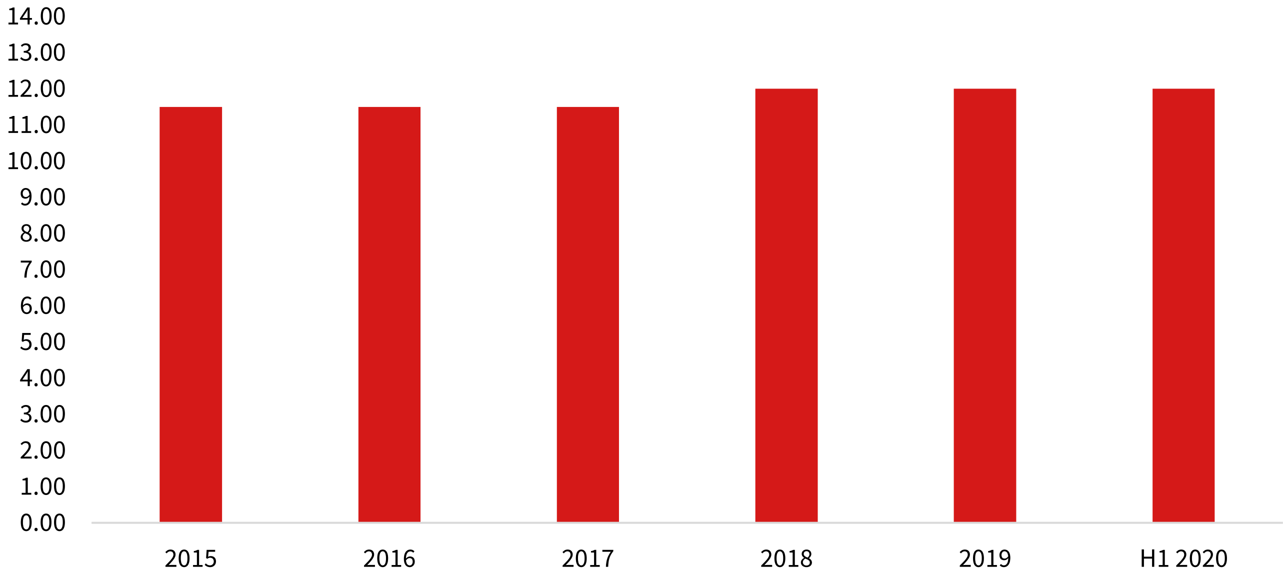


Source: JLL, Regional Research Forum H1 2020

11.4 Rental development

During the past 5 years, prime headline rents in Ostrava were very stable. In H1 2020, prime headline rents oscillated at around 11.50 – 12.00 EUR/sqm/month. However, this value represents only a limited part of the stock, depending mainly on the exact location of the offices and its quality and age.

Prime Rent Development (EUR/sqm/month)



Source: JLL, Regional Research Forum H1 2020

12 Investment Market

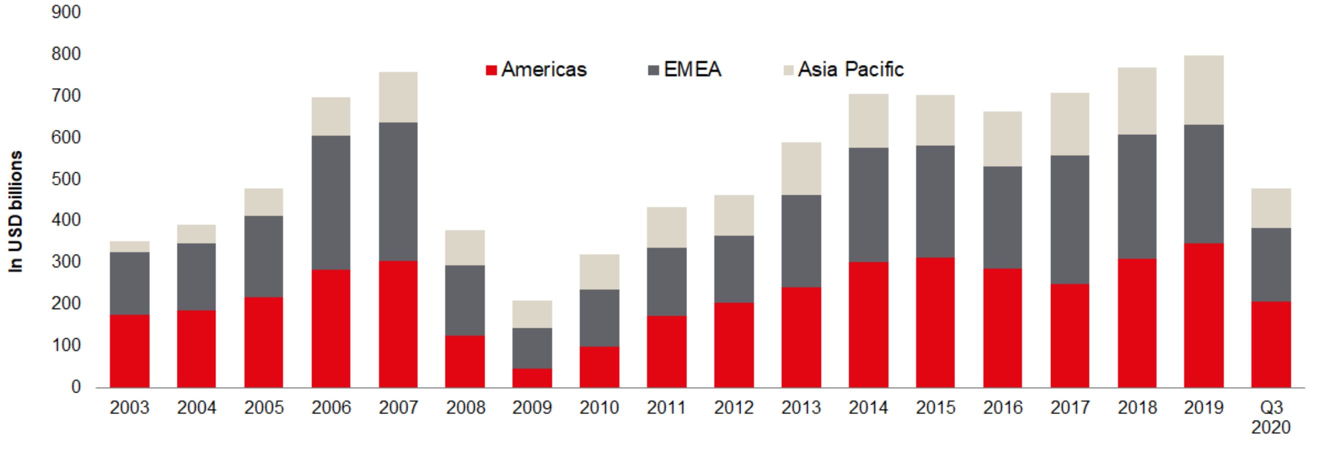
12.1 Global investment market perspective

Direct commercial real estate investment across all sectors, including offices, multifamily residential, retail, hotels, industrial, mixed-use, healthcare and alternative sectors, totalled US$149 billion in Q3 2020, down 44% from Q3 2019. Although activity remains considerably off pre-COVID levels, Q3's decline was slightly better than the 51% contraction experienced in Q2. Following two consecutive quarters of weakened transaction velocity, year-to-date volumes have fallen 33% from the same period one year ago, to US$479 billion. The modest improvement during Q3 was led by activity in Asia Pacific and EMEA, with volumes in both regions rising more than 30% since Q2.

It should be noted that with the total of US$800 billion transacted, 2019 was the strongest year for global commercial real estate investment on record. Underpinned by robust activity in the U.S. market, the Americas ended 2019 as the best performing region as full year investment volumes rose by 12%. Similarly, Asia Pacific ended 2019 with volumes 6% higher than the levels seen in 2018. On the other hand, investment declined by 5% in EMEA due mainly to Brexit-related uncertainty in the UK and the continued weakness in the retail sector across the region.

Contrary to this overall EMEA development, 2019 represented a record-breaking year for the CEE region, with the highest investment volume ever traded in commercial real estate, amounting to US$16.6 billion.

Global direct commercial real estate volumes by regions



Source: JLL Research, December 2020

Note: Direct commercial real estate investment, deals over US$5 mil. Includes offices, multifamily residential, retail, hotels, industrial, mixed-use, healthcare and alternative sectors. Excludes entity-level and development transactions.

US$ Billions	2007	2019	% change 2007- 2019	Q3 2019	Q3 2020	% change Q3 2019- 2020
Americas	304	347	14%	372	207	-44%
EMEA	333	284	-15%	212	176	-17%
Asia Pacific	121	169	40%	132	95	-28%
Total	**758**	**800**	**6%**	**717**	**479**	**-33%**

Source: JLL Research, December 2020

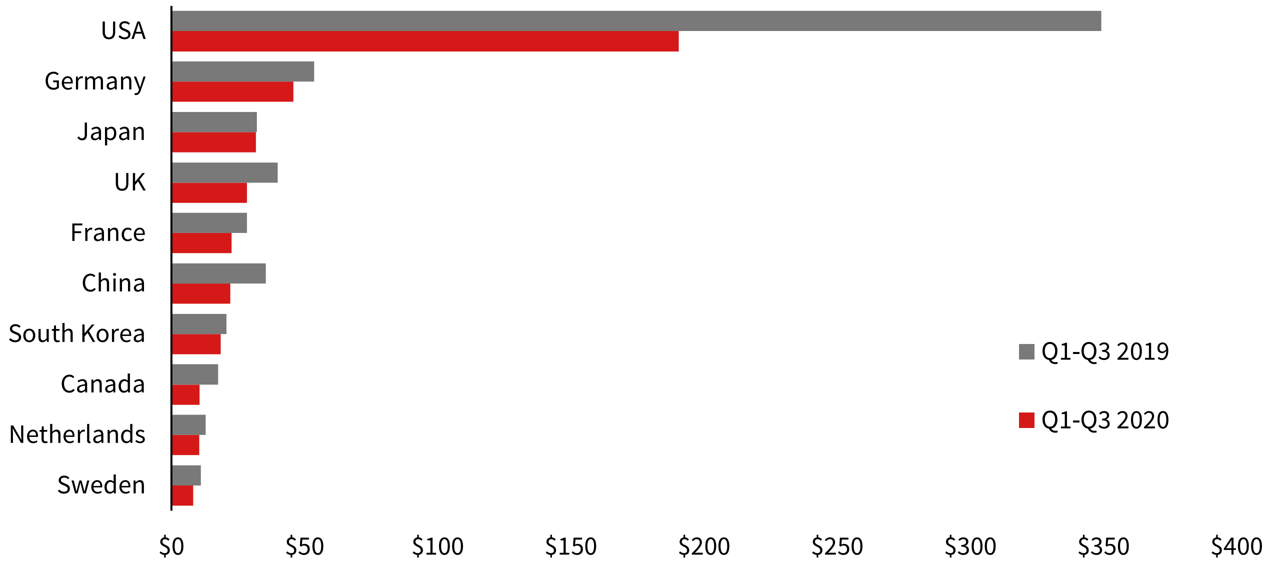
Note: Direct commercial real estate investment, deals over US$5 mil. Includes offices, multifamily residential, retail, hotels, industrial, mixed-use, healthcare and alternative sectors. Excludes entity-level and development transactions.

At the start of 2021 many investors are likely to remain cautious and calculated in their approach to commercial real estate investment, with many preferring to deploy capital in defensive, income-oriented assets. Opportunistic and private/high-net-worth investors are poised to capitalize on market fragmentation while competition is muted and institutions continue to be critical of pricing.

Building upon shifts experienced throughout the first six months of 2020, countries that contained COVID-19 more quickly and effectively saw a stronger revival in investment activity. Asia Pacific headed the rebound in transaction volumes during the third quarter, largely due to improved economic conditions in China and South Korea. Similarly, major markets in EMEA – notably Germany – continued to demonstrate resilient activity.

In the CEE region (CZ, HU, PL, RO, SK), resilient investment activity also persisted in the first nine months of 2020, confirmed by only a mild drop in total investment volumes of just 5.2% y-o-y. Notably elevated levels of investment activity by +40% y-o-y were registered in Romania.

Global transaction volumes by country, Q1–Q3 2019 & Q1–Q3 2020



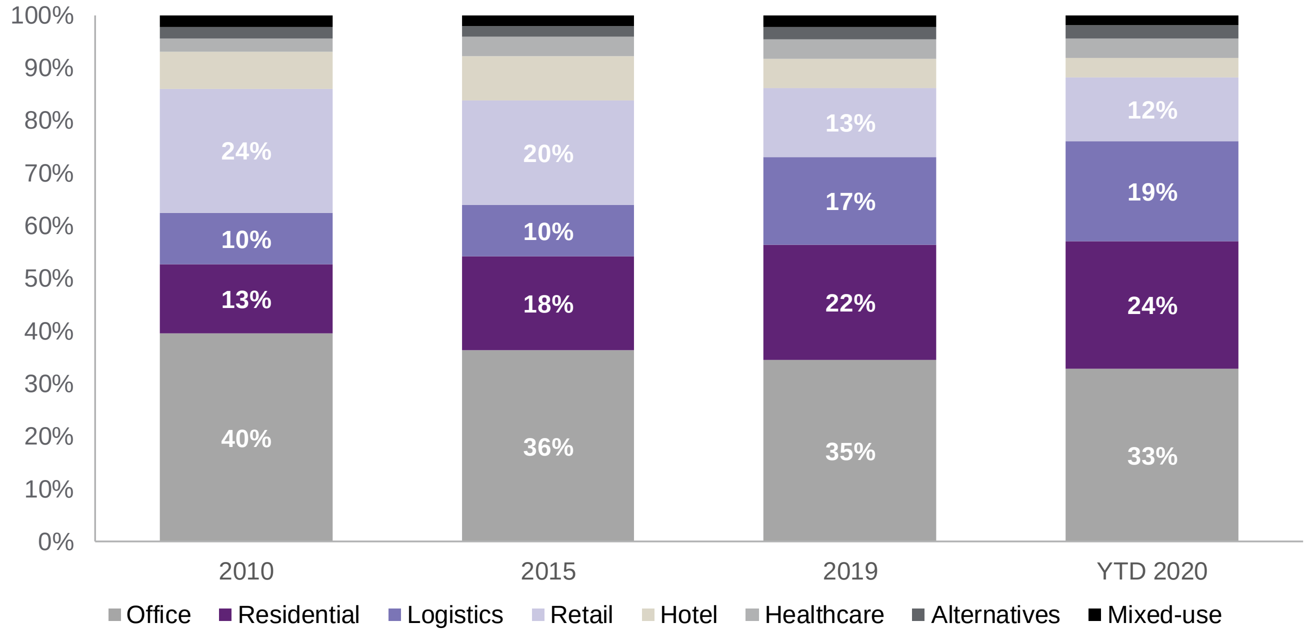
Source: JLL Research, December 2020

Although the U.S. lagged in its recovery of transactional activity, it remained the most active market globally with US$49 billion of quarterly volumes in Q3 2020. Sun Belt markets, such as Dallas, Phoenix and Raleigh, have benefitted from in-migration and subsequent investor demand.

Germany's relatively stable performance can be attributed to elevated activity in the logistics and residential sectors, which accounted for 39% of direct investment in the year to date.

The CEE region (CZ, HU, PL, RO, SK) was driven by office and industrial sectors, which accounted for 38.7% and 28.5% of investment volumes respectively.

Share of investment volumes by sector, 2010 – September 2020



Source: JLL Research, December 2020.
Note: YTD 2020 refers to Q3 2020.

In 2019 the industrial sector recorded its strongest year ever as global investment rose by 24% to US$166 billion. The sector's favourable market fundamentals have motivated investors to look outside of their home markets for suitable products. Global cross-border investment in the sector grew to a new height of US$53.6 billion in 2019, driven by global funds and investors from the UK, U.S., Singapore, Canada and Germany. Amongst the targeted markets have been those in the CEE region.

During the pandemic, the heightened focus on resilient supply-demand fundamentals and income stability has triggered a shift in investment toward demographically driven sectors. Thus, operationally critical, defensive sectors benefit from a disproportionate share of capital. Leading beneficiaries have been the logistics, multifamily and select alternative sectors.

The adoption of e-commerce was accelerated by the forced closure of brick-and-mortar retail at the height of the pandemic. Global logistics investment declined by 21% in Q1-Q3 2020 and investment into the sector accounted for between 17% and 31% of overall activity in each region (i.e. Asia Pacific, Americas and EMEA).

Capital flows into the logistics sector kept accelerating in Europe, represented 17% of total transaction volumes across all asset classes in Q3 2020. The leading four markets, consisting of the UK, Germany, Sweden and Poland, saw their combined volumes grow 66% year-on-year during the quarter. In the CEE region, logistics was the second most liquid sector during Q1 - Q3 2020, with 28.5% of investment volumes.

Capital allocations to logistics are expected to rise as strong performance and resilient characteristics continue. Resilient logistics real estate is being characterised by:

- Secured income stream (strong tenant covenant and / or relatively long term to lease expiry);
- Tenants in robust business sectors (e.g. food/internet);
- Modern well-specified, sustainable buildings with access to good infrastructure;
- Buildings in locations that are characterised by limited supply and strong competition for land;
- Buildings that are well-positioned to service customers including for last mile urban logistics.

In terms of liquidity, the office sector has been the largest beneficiary of capital globally in recent decades and has driven 36% of global investment activity between 2010 and Q3 2020. The future role of the office is now being challenged, and the level of office investment experienced a decline in Q3 2020: global Q3 activity fell by 44% year-on-year to US$47 billion, while volumes were down 37% in Q1-Q3 2020. In the coming years it is likely to see flexible working to increase and the form and function of offices to evolve with workplace shifts.

Although office fundamentals are now softening with weakened employment conditions, capital remains active in select segments of the market. Core product with creditworthy tenancies and long-let income continue to be attractive opportunities for investors. This is amplified in smaller-sized assets and in single-tenant offices, where sale and leaseback activity are elevated. Select institutions are viewing the market dislocation as a buying opportunity. New sources of private capital are emerging with similar strategies.

12.1.1 Cost of debt has largely stabilized

Global debt markets entered the pandemic with less precarious market conditions and are benefitting from the diversification of lender profiles, which had steadily taken shape in the U.S. and increasingly elsewhere since the Global Financial Crisis. Record low interest rates and government intervention continue to support debt markets globally, with indications from the Fed more recently that rates will remain lower for longer. These factors are creating stability in real estate in the early stages of a recovery.

Debt pricing for high-quality assets is now back to pre-COVID levels for most asset sectors, and more lenders are in the marketplace and quoting new transactions. This is supporting refinancing activity. Lenders are still conservative and continue to place greater scrutiny on leverage, loan size, sector, asset profile and cash flows. Favourable debt terms are supporting asset valuations, and assets with stable demand, such as core multifamily in the U.S. and logistics assets in Germany, are experiencing yield compression.

12.1.2 Global markets firmly in price discovery

Highly fragmented asset performance across various risk profiles, sectors and regions is leading to a disparate pricing environment in the markets. The availability and low cost of debt is an important contributor to price stability. Assets benefiting from COVID-related demand and longer-term secular tailwinds are seeing firm pricing, especially for core assets.

Where there is more risk, asset pricing is more impacted, with price adjustments greatest for opportunistic assets. However, outliers remain across the sectors, particularly within the retail and hospitality sectors, where current operational disruption continues to be high. As transaction pipelines are rebuilding global markets are firmly in price discovery. Transparency should improve if activity steadily increases in the coming quarters.

12.2 European investment market perspective

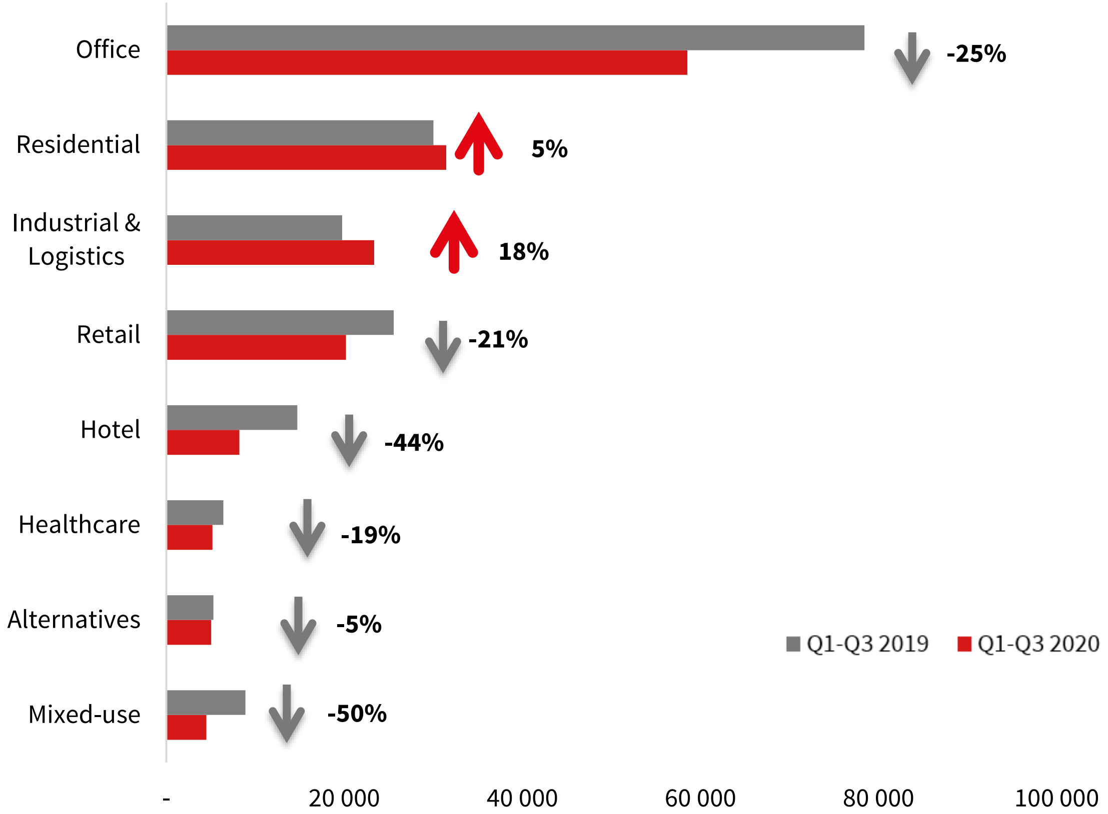
With total sales volumes of US$284 billion in 2019, EMEA saw a 5% y-o-y decline in total investment. However, Germany saw record investment in 2019, with volumes up 1%, making it the most liquid market in the region. Similarly, France witnessed a 15% increase in transaction activity, with 2019 representing a new record level. Many of the region's other markets also performed well in 2019 with Spain, Sweden, Italy, Norway, Ireland and Switzerland all experiencing heightened activity. On the other hand, activity in the UK was hampered by Brexit-related uncertainty.

Direct commercial real estate investment totalled US$156 billion in Q1-Q3 2020, down 17% y-o-y, however reporting an improvement during Q3 2020 when volumes rose 24% q-o-q. Although activity remained considerably off pre-COVID levels, we saw confidence return to European capital markets activity. Despite this, investors are likely to remain cautious and calculated in their approach to investment, with many preferring to deploy capital in defensive, income-oriented asset classes and it remains too early to talk about a return to normality as countries across the region come to grips with new lockdown measures.

EMEA's investment activity highlights:

- Rising allocation to the logistics and living sector are driving the recovery. Combined, they accounted for nearly half of total transactions in the first nine months of 2020.
- While there has been discussion about the future of the office post-pandemic, investor demand remains high for core, long-let assets. Office remains the most liquid sector for investment with 37.4% of total volumes in Q1-Q3 2020.
- Covid-19 related physical store closures and the shift to e-commerce continue to negatively impact the retail sector, leading to a y-o-y decline of 21% in transaction volumes in Q1-Q3 2020.
- Logistics continues to benefit from increased reliance on delivery platforms, online retail and urban logistics. Industrial investment volumes increased to €23.4 billion (+18%) as investors demonstrated their strong confidence in the sector.
- Cross-border buyers accounted for 50% of all investment, broadly in line with the long-term average.
- Global and US buyers combined acquired €20.3 bn of real estate in the EMEA region in the first nine months of 2020, the largest share of non-European buyers.

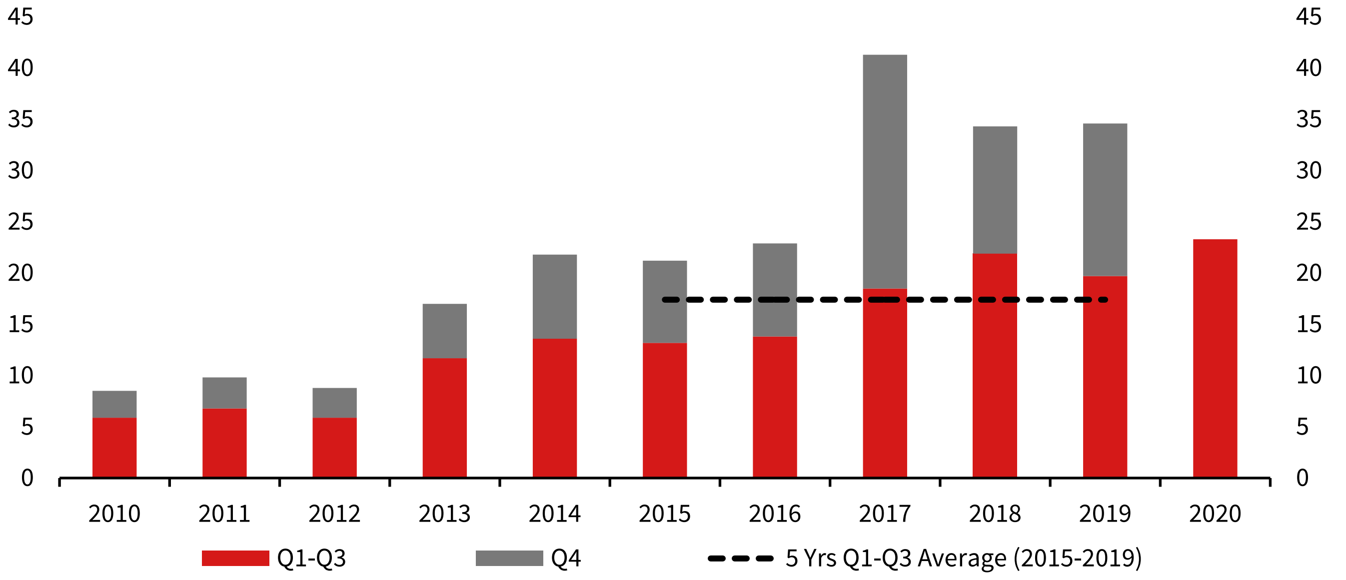
Investment volume in EMEA by sector, Q1-Q3 2020



Source: JLL Research, December 2020

Investors' demand for European logistics assets has experienced buoyant growth, rising from €8.8 billion of investment volumes in 2012 to above €35 billion in 2019. This trend has been amplified with the Covid-19 pandemic, based on an 18% y-o-y increase of investment volume into the logistics sector over Q1 – Q3 2020. The CEE region has seen the greatest surge in industrial investment volumes, predominantly driven by Poland.

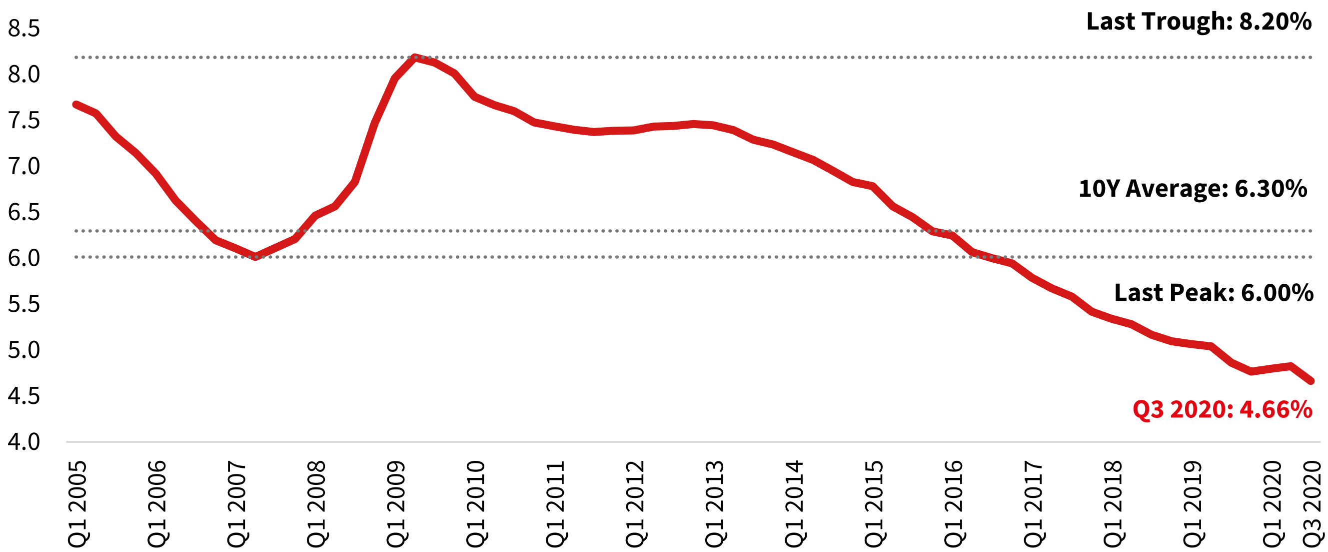
Development of European Industrial Investment (€ billions)



Source: JLL Research, December 2020

Standing at 4.66%, European logistics yields marked a further 10 bps compression in Q3 2020 and are 20 bps lower compared to Q3 2019.

European average industrial prime yield development (%)



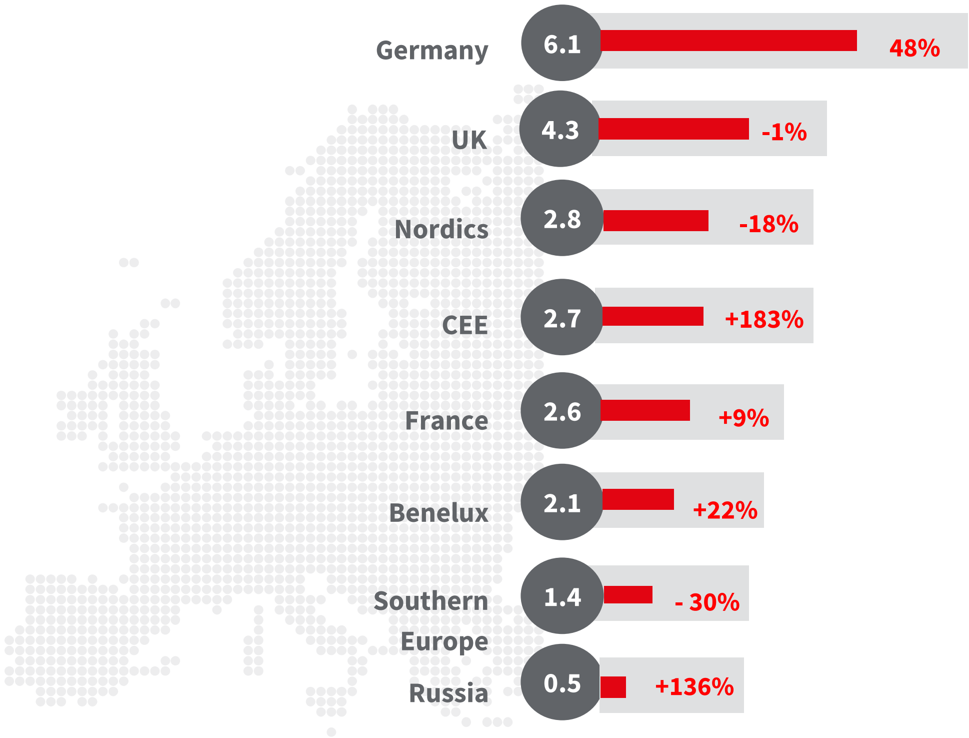
Source: JLL Research, December 2020

Note: The data set of European countries include: Paris, London, Madrid, Milan, Barcelona, Moscow, Warsaw, Hamburg, Amsterdam, Stockholm, Prague, Rotterdam, Munich, Berlin, Frankfurt, Dusseldorf, Budapest, Lyon, Brussels, Antwerp, Dublin, Manchester, Leeds, Birmingham, Glasgow.

EMEA's logistics investment highlights:

- Germany, UK and France were the single strongest markets over Q1-Q3 2020, accounting for 56% of all investment.
- The UK showed a further strong recovery.
- With over €1.9 billion worth of logistics assets transacted over Q1-Q3 2020, Poland already recorded not only a record volume on the previous full-year figures, but also a historic new peak.
- In the CEE region, logistics was the second most liquid sector during Q1 - Q3 2020, comprising 28.5% of total investment volumes across all asset classes. Investment volumes for logistics recorded a y-o-y increase of 183%.

Q1 – Q3 2020 European Investment Geography (€ billion)

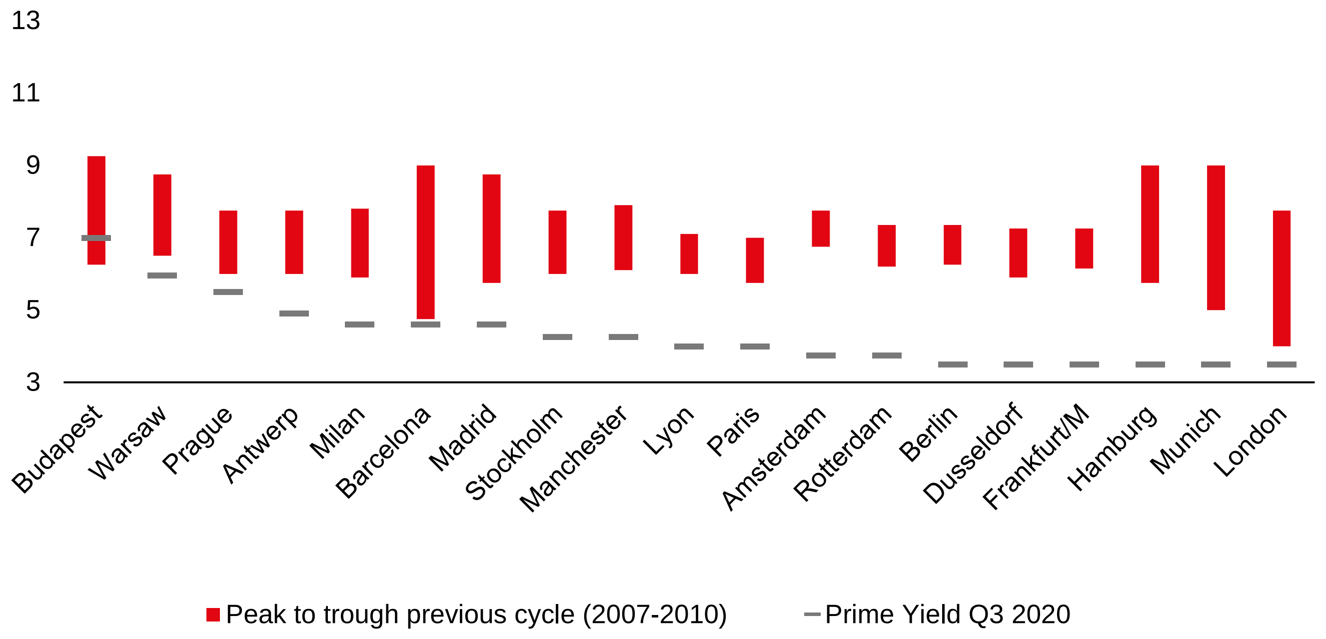


Note: ▲% change YoY

*Figures exclude Pan-European portfolio transactions volumes not associated with single country markets

Source: JLL Research, December 2020

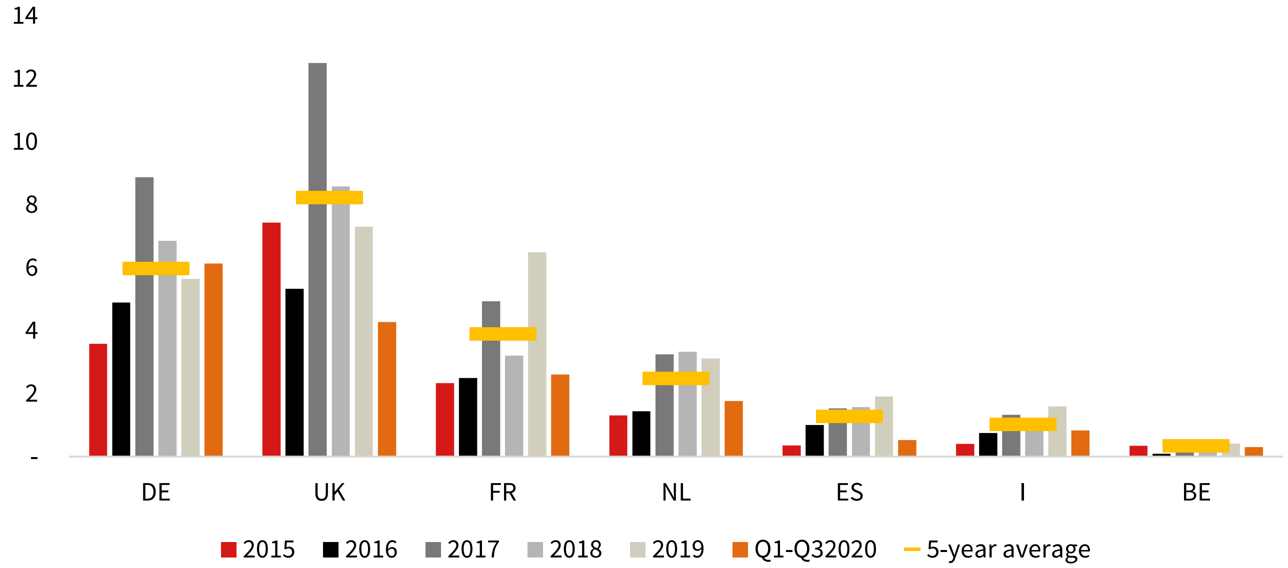
Development of European logistics yields (%) in selected markets



Source: JLL Research, December 2020

Out of the selected Western European countries investors' demand for logistics experienced buoyant growth especially in Germany with Q1-Q3 2020 volumes already higher than the 5-year annual average (2015-2019). Industrial sales volumes notably rose in France, Italy, Spain and Belgium with y-o-y increases of 102%, 60%, 21% and 14% respectively. On the contrary, a significant drop in investment volumes was recorded in the UK, having contracted in two consecutive years y-o-y by 31% and 15% in 2018 and 2019 respectively.

Industrial investment volumes in selected Western European countries (in billion €)

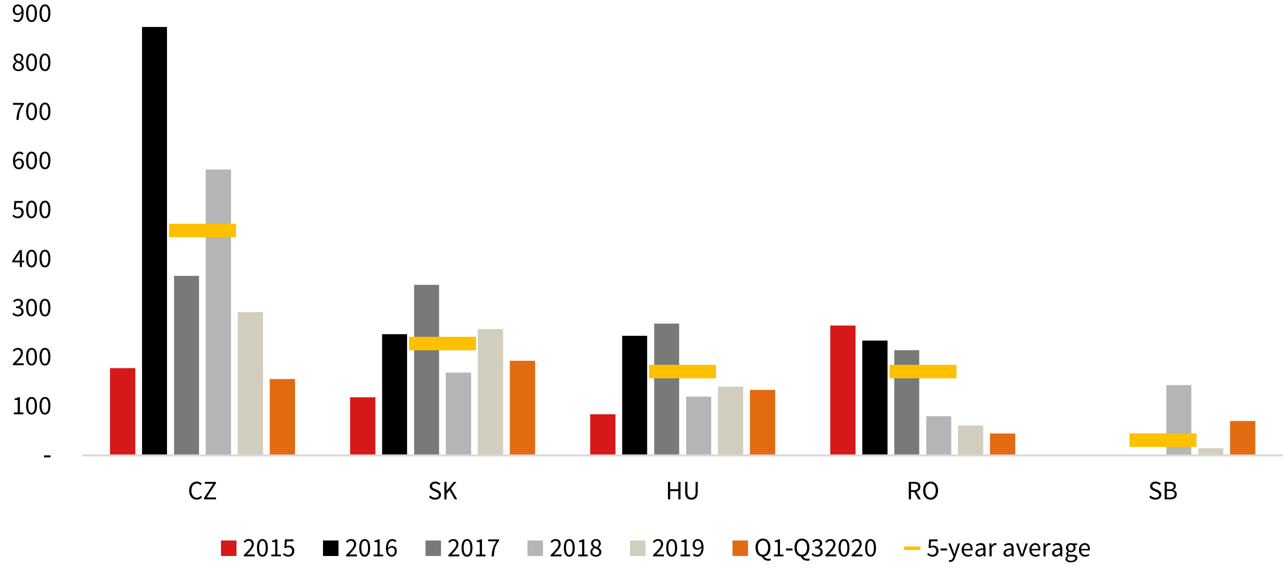


Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported between 2015 and 2019.

Even though logistics was the second most liquid sector overall in the CEE region during Q1 - Q3 2020, the sector's performance in the region has been uneven. The prevailing trend in the selected CEE countries has been the lack of available product as significant part of the industrial market is owned by strategic players who rarely sell, which especially applies to the Czech Republic, Hungary and Romania where CTP owns 28%, 12% and 29% of the industrial stock respectively. Thus, only Serbia have outperformed its CEE peers, surpassing its 5-year annual average by 120% already at the end of Q3 2020.

Industrial investment volumes in selected CEE countries (in million €)



Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported between 2015 and 2019.

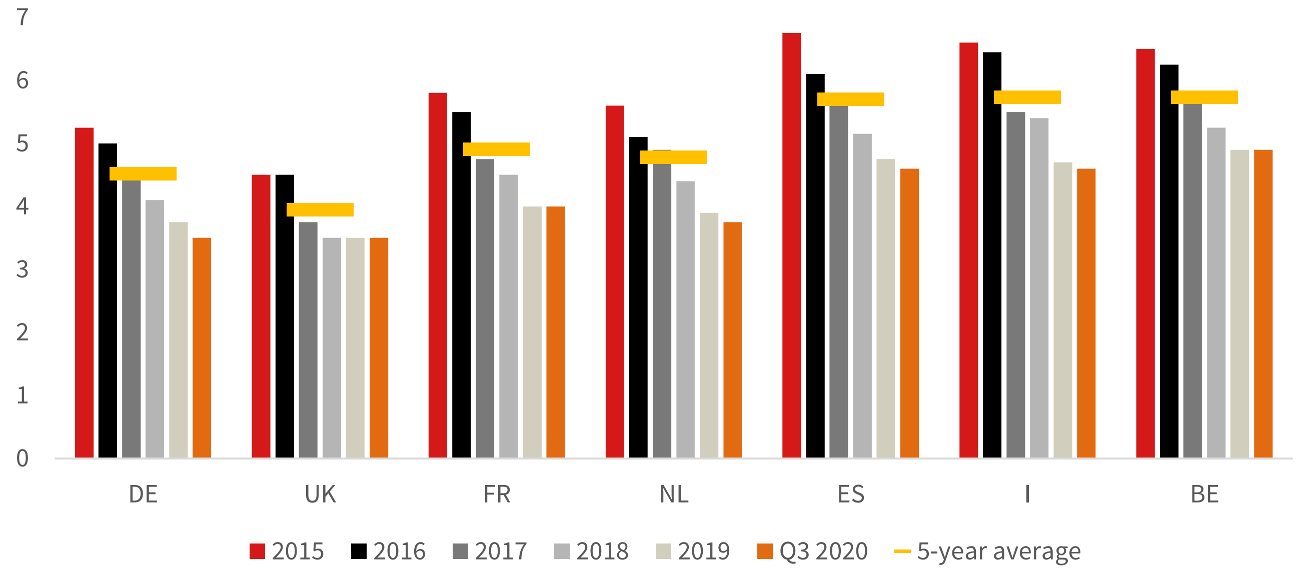
Project Carrera

Key CEE industrial transactions per country over the past 5 years

Country	City	Project Name	Year	GLA (sqm)	Est. Price (mil. EUR)	Capital Value (EUR)	Initial Yield	Seller	Buyer
Czechia	various	Goodman Porfolio	2020	107,000	123	1,151	Unknown	Goodman	GLP
Czechia	various	Contera Portfolio (90%)	2019	120,000	90	750	6.90%	Contera	TPG
Czechia	Dobroviz	Amazon AEW	2019	125,000	135	1,080	Confidential	AEW Europe	Samsung Securities
Czechia	various	CTP portfolio	2018	430,000	458	1,065	Confidential	CTP	DEKA
Czechia	Plzen	Stage Capital Portfolio	2017	155,000	126	810	Confidential	Stage Capital	CBRE Global Investors
Czechia	various	P3 Logistic Parks portfolio	2016	1,030,000	761	739	Confidential	TPG / P3	GIC
Hungary	Üllő	Goodman Porfolio	2020	136,000	100	735	Unknown	Goodman	GLP
Hungary	various	Regional Portfolio	2019	83,000	30	355	Unknown	M7 Real Estate	CNIC
Hungary	Vecses	Aerozone Business Park	2019	62,035	45	725	7.50%	M7 Real Estate	Confidential
Hungary	Vecses	Aerozone Logistics Park	2017	62,035	34	551	8.75%	CAImmo&Union	M7 Real Estate
Hungary	Budapest	South Pest Business Park	2017	32,282	28	852	8.50%	WING	Diófa RE Fund
Romania	Bucharest	Equest Logistic Park	2020	57,000	30	526	Unknown	Forum Serdika	CTP
Romania	Bucharest	Industrial Park on A1km13	2019	68,000	40	588	Unknown	Vabeld	CTP
Romania	various	Logicor Portfolio (5 assets)	2017	unknown	78	n/a	Unknown	Blackstone	CIC
Romania	various	P3 Logistic Parks portfolio	2016	300,000	117	390	Confidential	TPG / P3	GIC
Romania	Bucharest	Bucharest West	2015	130,000	63	485	Confidential	Portland Trust	CTP
Serbia	Belgrade	Kuehne + Nagel	2020	17,000	20	1,176	Unknown	KokirGradnja	BIG Shopping Centers
Serbia	Petrovaradin	fmr Pobeda	2020	75,000	50	667	Unknown	MK Group	Marera Properties
Serbia	Stara Pazova	Logmaxx Alpha	2019	18,000	15	833	Unknown	Eyemaxx	Unknown
Serbia	Belgrade	Avala Ada & Fabrika Hartije	2018	55,000	133	2,418	Unknown	Kappa Star	Smurfit Kappa
Serbia	Belgrade	Phoenix Pharma	2018	12,000	10	833	Unknown	Unknown	CTP
Slovakia	Senec	Goodman Senec	2020	114,000	80	700	6.20%	Goodman	GLP
Slovakia	Senec	Palmira Park Senec	2020	127,194	83	653	Unknown	Palmira	Point Park Properties P3
Slovakia	Bratislava	Vector Parks	2019	117,000	101	859	Confidential	Macquarie IRA	TPG
Slovakia	Galanta	Prologis Galanta	2017	241,000	125	519	Confidential	Prologis	CNIC
Slovakia	various	P3 Logistic Parks portfolio (SK part)	2016	214,356	134	623	7.25%	TPG / P3	GIC

Source: JLL Research, December 2020

Prime industrial yields in selected Western European countries (in %)



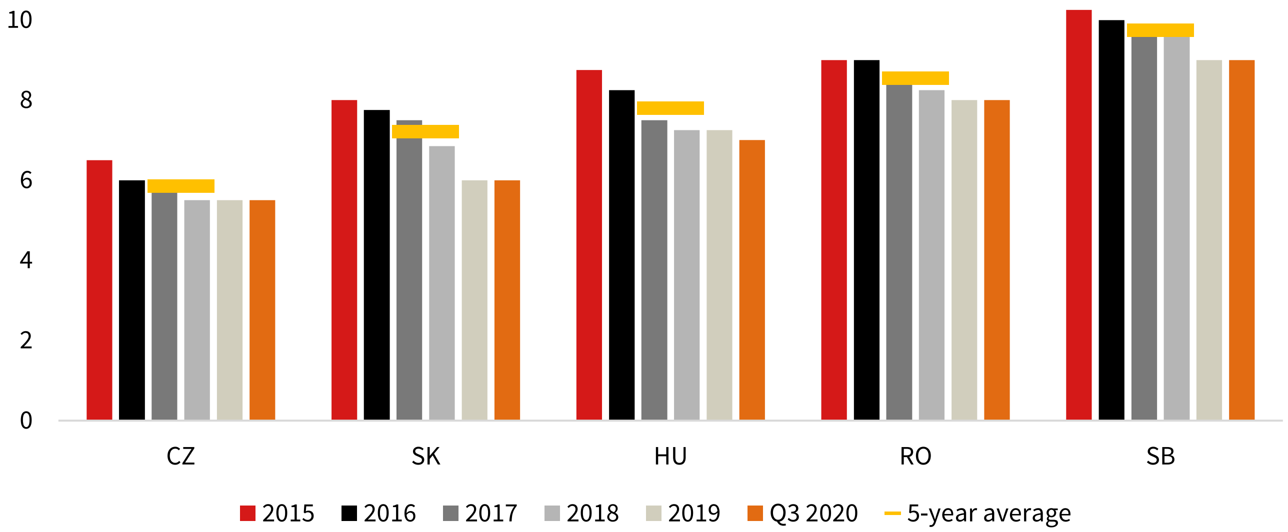
Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported between 2015 and 2019.

Prime industrial yield compression has been registered across all the selected markets in Western Europe (i.e. BE, ES, FR, DE, I, NL, the UK) and the whole of CEE . In the period between 2015 and Q3 2020 the average compression in the selected Western European markets stood at 174 bps. Spain and Italy registered the strongest compressions of 215 and 200 bps respectively. The average yield compression in the selected CEE markets (i.e. CZ, HU, RO, SK and SRB) reached 140 bps, led by Slovakia and Hungary with 200 and 175 bps respectively.

Despite robust investor demand, there continues to be an attractive spread in yields observed for logistics assets in CEE with those for comparable assets in Western Europe. The respective spread between the selected Western European and CEE markets stood at 298 bps as of Q3 2020, with Serbia and Romania reporting the highest prime yields of 9.0% and 8.0% respectively. By contrast, the sharpest prime yields are reported in the Czech Republic at 5.50%. However, this level is expected to compress further in Q4 2020 to 5.25% in the light of several ongoing transactions.

Prime industrial yields in selected CEE countries (in %)

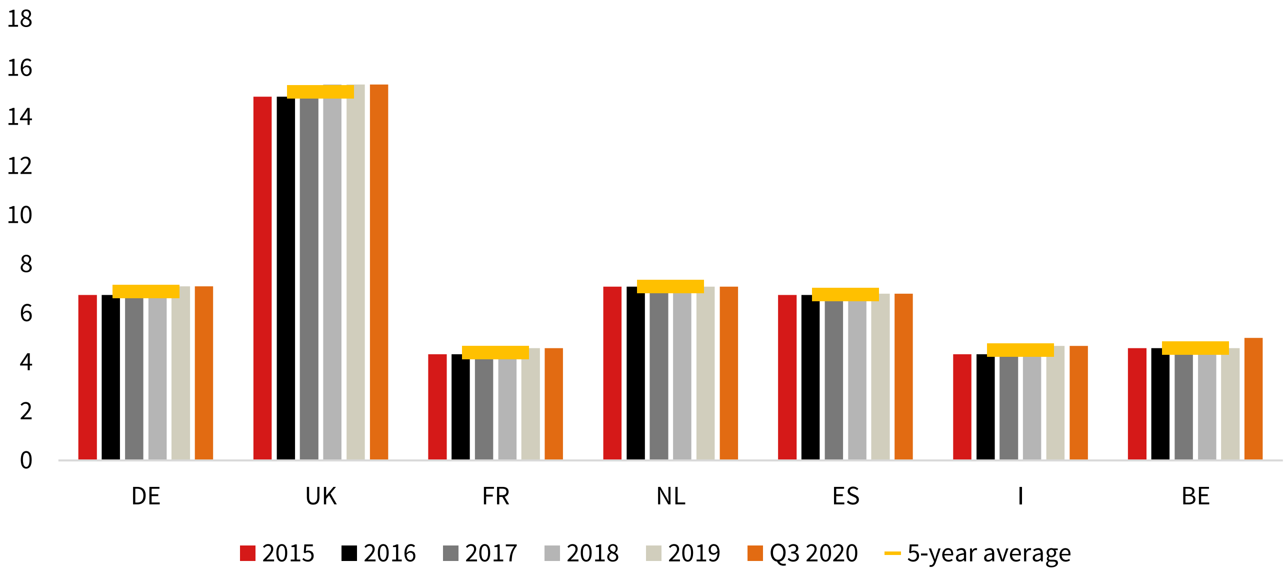


Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported between 2015 and 2019.

Over the same period, prime industrial rents remained rather stable or increased across Western Europe. Notable rental growth was registered in Belgium and Italy (by 9.1% and 7.7% respectively).

Prime industrial rents per sqm per month in selected Western European countries (in €)

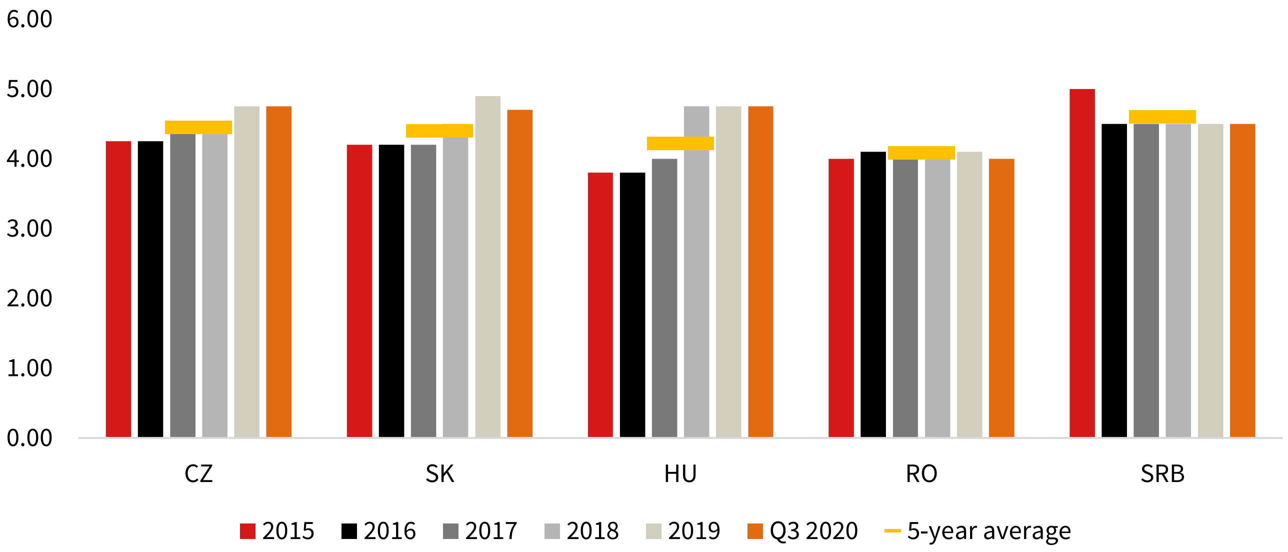


Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported for capital cities in all markets, except for Germany (where Munich is reflected), between 2015 and 2019.

Amongst the CEE markets, over the same period Hungary, Slovakia and the Czech Republic reported sizable cumulative rental growth of 25.0%, 11.9% and 11.8% rectively, whilst in Serbia rents decreased by 10%.

Prime industrial rents per sqm per month in selected CEE countries (in €)

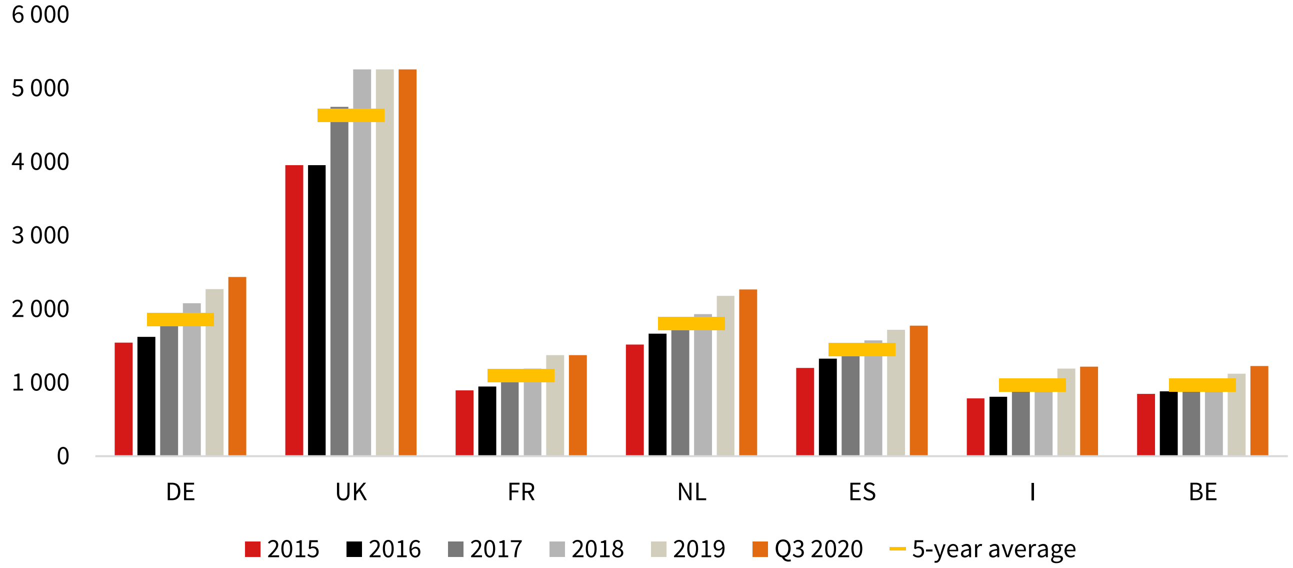


Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported for capital cities across all markets between 2015 and 2019.

Since 2015, the evolution of industrial capital values has been primarily influenced by yield compression across the majority of Western European markets, combined with rental increases which were less pronounced. The highest cumulative increases in capital values were recorded in Italy, Germany and France where the values rose between 50% and 60% from 2015 to Q3 2020. Overall, no market recorded negative trends in cumulative capital values. The same applies to the selected CEE markets where the most notable increases in capital values were recorded in Hungary, Slovakia and the Czech Republic, with uplifts of 56.3%, 49.2% and 32.1% respectively over the same period.

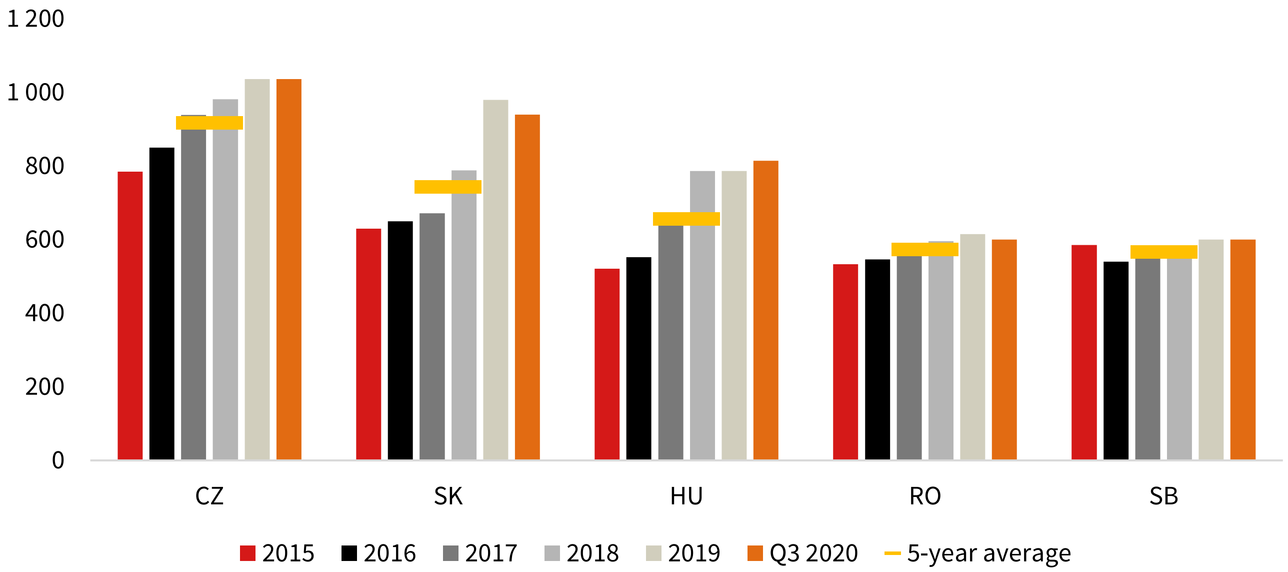
Industrial capital values per sqm in selected Western European countries (in €)



Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported for capital cities in all markets, except for Germany (where Munich is reflected), between 2015 and 2019. To convert the UK rents, we have applied a consistent FX rate of 1 GBP : 1.10 EUR.

Industrial capital values per sqm in selected CEE countries (in €)



Source: JLL Research, December 2020

Note: The 5-year average is based on the annual figures reported between 2015 and 2019.

12.3 CEE investment market overview

The CEE region continues to be a key target for both international and domestic investors. The CEE region's macro-economic story, encouraging retail performance levelsm, plus strong office and industrial occupational markets, together with an attractive yield profile provides for an appealing story for investors.

The 2019 annual investment volume across all sectors reached €14.2, the highest CEE investment volume ever traded in the region. This was a 6% increase y-o-y on 2018 which was the previous record high. With over 55% of the 2019 total, Poland maintained its dominance among the CEE countries.

Strong investment activity was also recorded in the Czech Republic in 2019 which accounted for a quarter of all transactions in CEE by value and saw a 23.5% increase in the total investment volumes y-o-y. The market was again dominated by domestic investors. Interestingly, the Asian share of the market was firm at the second position.

With a stable investment activity since 2016, the Hungarian market witnessed heightened activity in the hotel segment, stable and continuous interest in offices, weak supply and a decrease in demand for retail properties, as well as high demand for industrial properties over 2019. Worthwhile to note is the record-breaking activity within the hotel sector in 2019 overall.

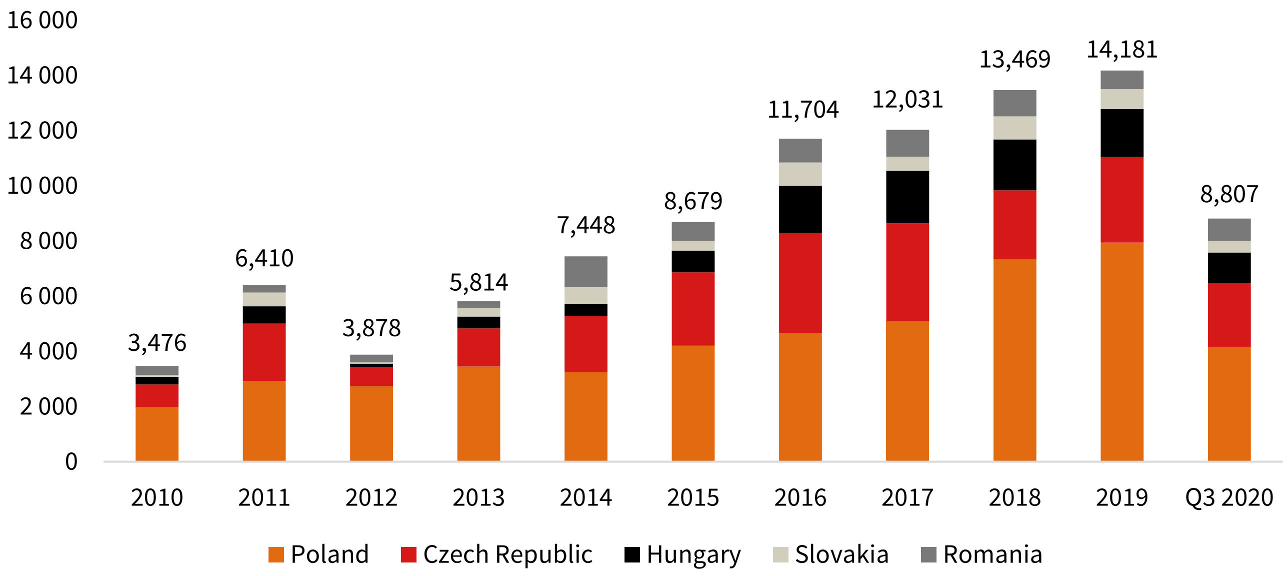
In Romania, 2019 was characterised by rising activity within secondary cities and a drop of the total investment volume in Bucharest, the most desired market hitherto. In Slovakia, the 2019 investment volume contracted by 15% y-o-y, having confirmed strong investors' appetite for logistics which accounted for 36% of the total investment volume.

Overall, the investment breakdown of 2019 saw Poland surpassing its previous record volume set in 2018 (€7.2 billion) with a regional share of 55%. Poland's share was followed by the Czech Republic (22%), Hungary (12%), Romania (5%) and Slovakia (5%). During 2019 prime yields saw some downward pressure, with the most visible compressions noted in the office and industrial sectors.

Despite the outbreak of COVID-19, investor activity remained at high levels especially in select CEE markets. During Q1-Q3 2020 the CEE investment market (consisting of the Czech Republic, Hungary, Poland, Romania and Slovakia), recorded transactions for a total of €8.8 billion representing a y-o-y decrease of 5.2%, with Romania registered notable y-o-y upswings in investment volumes by 40%. The office sector accounted for 37% of total investment volumes in the first nine months of 2020 and logistics was the second most liquid sector, comprising 28.5% of total volumes. The living sector ranked the third most traded. Accounting for 47% of total investment volumes, Poland persisted its dominance among the CEE countries, followed by the Czech Republic with 26% and Hungary with 12%.

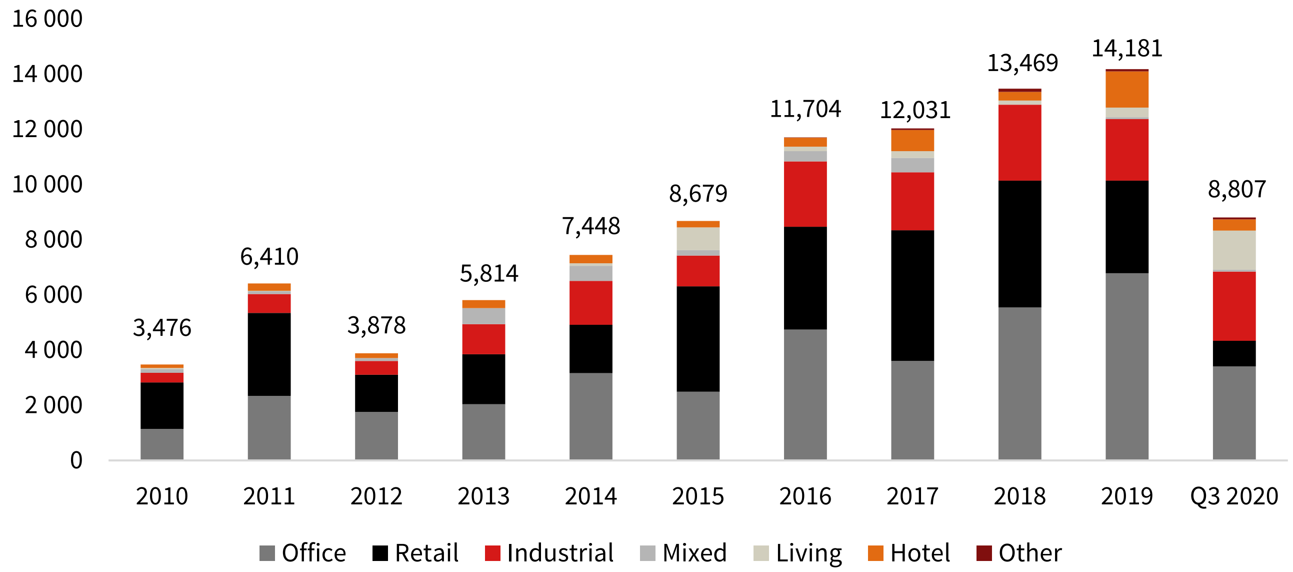
During Q1-Q3 2020 prime yields registered some upward pressure in comparison to the end of 2019, with the most visible decompressions noted in the Polish office and retail sectors, as well as in the Czech and Hungarian retail sectors. On contrary to the decompression trend, the Czech prime industrial yield is expected to compress in Q4 2020 by 25 bps, in the light of several ongoing transactions.

Development of CEE Investment Volumes by Countries (in mill €)



Source: JLL Research, December 2020

Development of CEE Investment Volumes by Sectors (in mill €)

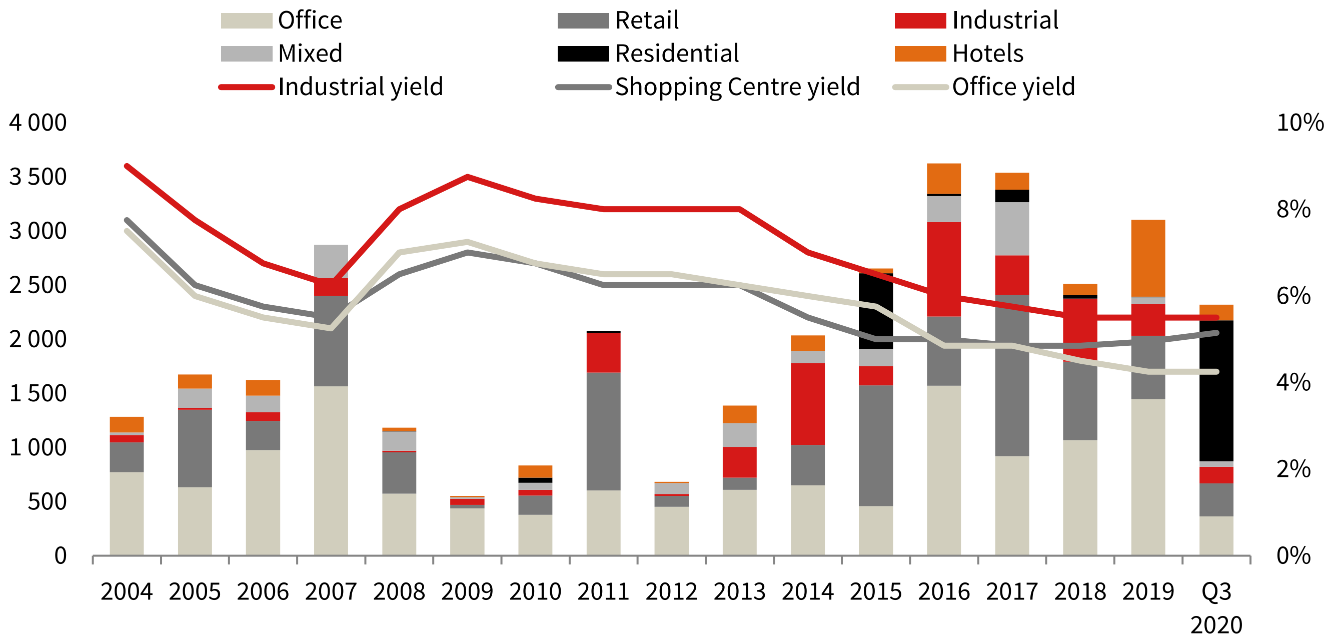


Source: JLL Research, December 2020

12.3.1 Investment market overview of the Czech Republic

The Czech Republic is considered the most stable country in the CEE region with the most favourable investment rating, bestowed by the main rating agencies such as Fitch, Moody's and S&P. The 2019 annual investment volume reached €3.1 billion, up by 23.5% compared to 2018. The most liquid sectors were office, hotel and retail, accounting for 47%, 23% and 19% respectively. Throughout 2019, the market registered heightened activity in the hotel segment, strong and stable interest in the office sector, subdued demand for retail properties, as well as strong demand for industrial assets. The logistics sector has historically been suffering from a lack of available product as significant part of the market is owned by the strategic players who rarely sell.

Investment volumes by asset class and development of prime yields in the Czech Republic (in mill €)



Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3 2020
Volume (mill €)	67	18	81	167	14	55	52	366	16	284	759	178	873	366	583	292	156
Prime Yield (%)	9.00	7.75	6.75	6.25	8.00	8.75	8.25	8.00	8.00	8.00	7.00	6.50	6.00	5.75	5.50	5.50	5.50

Source: JLL Research, December 2020

Despite the COVID-related uncertainties on the markets, investment activity was relatively strong during the first nine months of 2020, amounting to €2.3 billion which represented a 5% y-o-y decrease in investment activities. The most liquid sectors were living, office and retail, accounting for 56.0%, 15.6% and 13.1% respectively. It is important to note that 56% of the sales volumes was formed by the largest deal in the Czech history when Blackstone / Round Hill Capital sold their Residomo residential portfolio to Swedish Heimstaden Bostad for €1.3 billion. Excluding this transaction, the total investment volume of 2020, significantly affected by the shortage of investment product and the pandemic, would be down by 58% y-o-y and Czech investors would have accounted for a 63% market share.

The most significant office investment transactions included City Empiria in Prague 4 sold by Generali for €70+ million to Czech investor and developer PSN, followed by City West C1 and C2 located in Stodůlky sold by CFH for €74.5 million to Czech investor Českomoravská Nemovitostní, Lighthouse in Prague 7 sold by Deka for ca €55 million to Star Capital Investments and Albatross in Prague 1 sold by PSN for ca €30 million to FID Group.

The total office investment volume recorded for Q1-Q3 2020 reached €397 million, down by 70% compared with the same period in 2019.

With €327 million traded between Q1-Q3 2020, the retail sector accounted for a 14% market share, primarily thanks to the iconic Kotva department store located in Prague 1, sold by PSN to Generali for €138 million. Furthermore, the retail sector witnessed three notable transactions: Čestlice Shopping Centre sold by Ahold to a Czech investor, HSTN, for ca €42 million; the regional shopping centre OC Plzeň Rokycanská disposed by Tesco and acquired by another Czech purchaser, Trigea, for ca €32 million; and finally Central Kladno, a shopping centre with GLA of 26,500 sqm, traded for €75 million, between Crestyl and a Czech fund manager, Portiva. As of Q3 2020, the retail investment activity was up by 7% y-o-y.

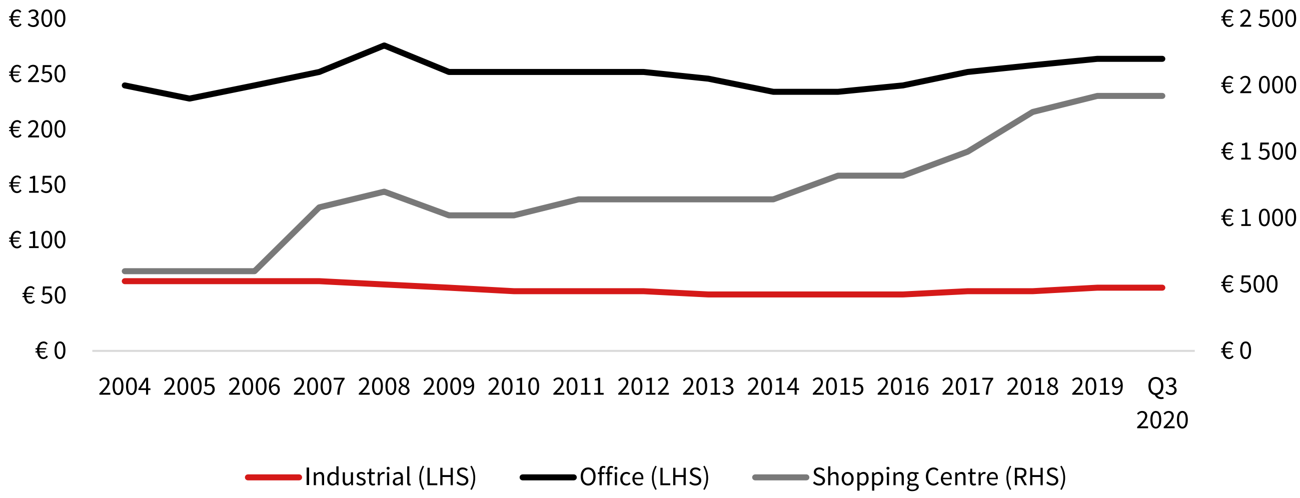
The market share of the logistics sector stood at 7% in Q1-Q3 2020, with four transactions concluded for a total investment volume of €156 million, recording a 11% increase y-o-y. The key logistics deals included the Goodman portfolio for €123 million.

After record high hotel investment activity in 2019, only three transactions were recorded in the first nine months of 2020, with the most significant hotel deal being Pentahotel Prague with 227 rooms sold by New World Development to Aroundtown Property Holdings for an undisclosed price in a portfolio transaction together with another 16 hotels across Europe. With tourism immensely affected by Covid-19 closure of borders, no international flights and imposed closure on all hotels by the government, the hotel sector had been suffering to a great extent.

One of the greatest concerns is around debt as margins have increased and LTVs decreased, however, banks are continuing to lend and support the prime core investment product.

As of Q3 2020, our view on prime yields is as follows: prime offices at 4.25%, prime shopping centres at 5.15%, industrial and logistics at 5.5%, prime retail parks at 6% while prime high-street assets at 3.75%.

Development of Prime Rents per sqm p.a. in the Czech Republic



Source: JLL Research, December 2020

12.3.2 Investment market overview of Hungary

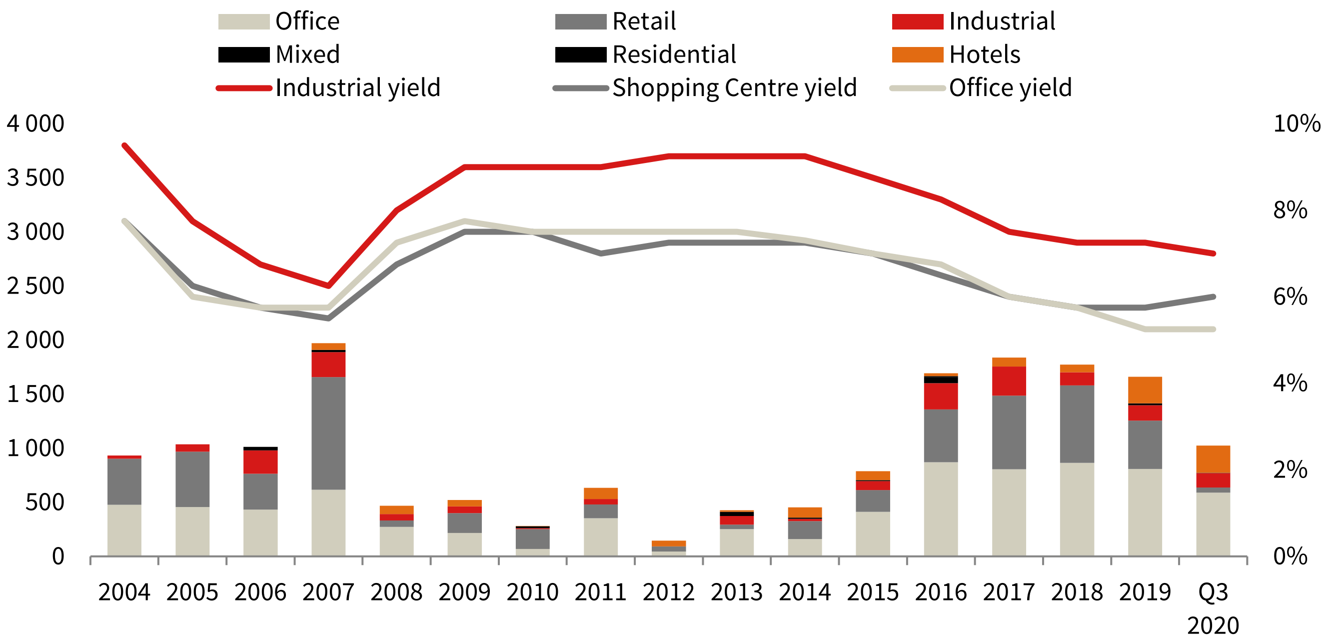
The 2019 annual investment volume reached €1.735 billion. Throughout 2019 the market witnessed heightened activity in the hotel segment, stable and continuous interest for offices, weak supply and a decrease in demand for retail properties, as well as high demand for industrial properties.

Despite the COVID-related uncertainties on the markets, investment activity was relatively strong during the first half of 2020, however by Q3 the slowdown of activity and the declining volumes were visible. The re-introduced travel restrictions to the country as from September, made property site visits for foreign investors nearly impossible, which further hindered due diligences and deals moving forward. From January to September 2020 the transaction volume amounted to €1.1 billion, a y-o-y decline of 20% and the lowest Q1-Q3 volume since 2015.

Several trophy deals closed in every sector despite the pandemic's negative impacts on the commercial real estate. Nevertheless, there is evidence of collapsed transactions with several deals delayed with no clear indication of the new closing date.

The annual investment volumes will likely suffer a minimum of 25% loss y-o-y despite the fact that several investors remained active during the lock-down period. There is a growing disparity in the price expectation of buyers and sellers, which will further hinder deals.

Investment volumes by asset class and development of prime yields in Hungary (in mill €)



Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3 2020
Volume (mill €)	30	70	215	229	59	63	8	49	0	80	19	84	244	269	120	140	134
Prime Yield (%)	9.50	7.75	6.75	6.25	8.00	9.00	9.00	9.00	9.25	9.25	9.25	8.75	8.25	7.50	7.25	7.25	7.00

Source: JLL Research, December 2020

With the investment volume of €590 million, the most active asset class in the first nine months of 2020 was **the office sector**, representing 54% of the total transaction volume. It is important to note that one third of this amount was generated by a large corporate deal: the acquisition of a majority ownership (61.49%) of GTC SA by the Hungarian Optima Zrt from Lonestar. The Hungarian portion of this regional platform consisted of three standing offices, two on-going office developments and two development sites. The GTC platform also included assets in Poland, Serbia, Romania, Croatia, Bulgaria and Ukraine. Furthermore, ca 25% of this volume comprises forward sales transactions, which were signed in previous years, but were closed just recently upon the completion of the new office properties (i.e. Váci Greens E, Corvin Technology&Science Park, Nordic Light Trio). Without these closings the year-to-date volume would have seen a drop in the investment activity.

An additional notable deal of the period included Allianz Real Estate's first direct acquisition since 2010: the purchase of the Eiffel Square office building, a premium asset at the junction of the CBD and the Váci Corridor submarkets. The transaction was signed in Q2 2020 amidst the pandemic's disruptions and was closed in early summer.

In our views the prime office yield remained steady on Q4 2019 and stood at 5.25% as of Q3 2020 (i.e. at the end of September 2020).

The retail sector has lost its appeal. Only €50 million was traded between January and September 2020, which is similar to the corresponding periods of 2012-2013. Given the fundamentally shifting shopping habits, the drastically changing rental conditions, along with mandatory closing or strictly regulated opening hours caused by Covid-19 measures we do not foresee any immediate uptick in activity in the asset class. That said, food retailers, hypermarkets, out-of-town retail parks and strip malls can still attract investor interest, as these asset types are less impacted by the pandemic.

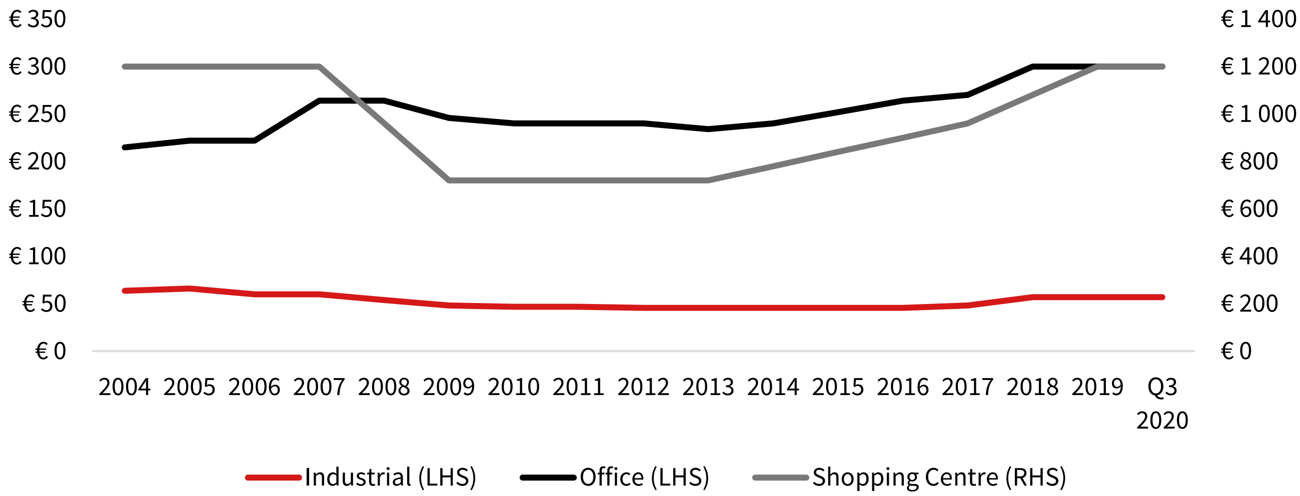
All of the retail assets traded from Q1 to Q3, 2020 were situated in the countryside and mostly acquired by local purchasers. We see prime yields under pressure in the retail sector with prime shopping centre yields standing at 6.00% and prime high street yield standing at 5.25%.

In the last two years **logistics** became the favourite target of investors in Hungary. Despite the high interest for such assets, the lack of supply in the asset class has had a significant impact on transaction volumes.

During the first nine months of 2020 investment activity generated €134 million of which nearly 90% was generated by Goodman's portfolio acquired by GLP Gazeley.

In our views prime logistics yield compressed by 25 bps on Q1 2020 and stood at 7.00% in Q3 2020.

Development of Prime Rents per sqm p.a. in Hungary



Source: JLL Research, December 2020

12.3.3 Investment market overview of Romania

Q1-Q3 2020 property investment volume for Romania is estimated at €816 million, a value approximately 40% higher than the one registered in the same period in 2019. Even though expectations for Q3 were not very high, considering the emergence of the second wave of the COVID-19 pandemic, the investment volume was boosted by the closing of one of the largest deals ever signed in Romania, the acquisition of the NEPI Rockcastle's office portfolio by AFI Europe, a deal worth approximately €307 million, which includes several properties in Bucharest and one in Timisoara, with a total GLA of almost 120,000 sqm.

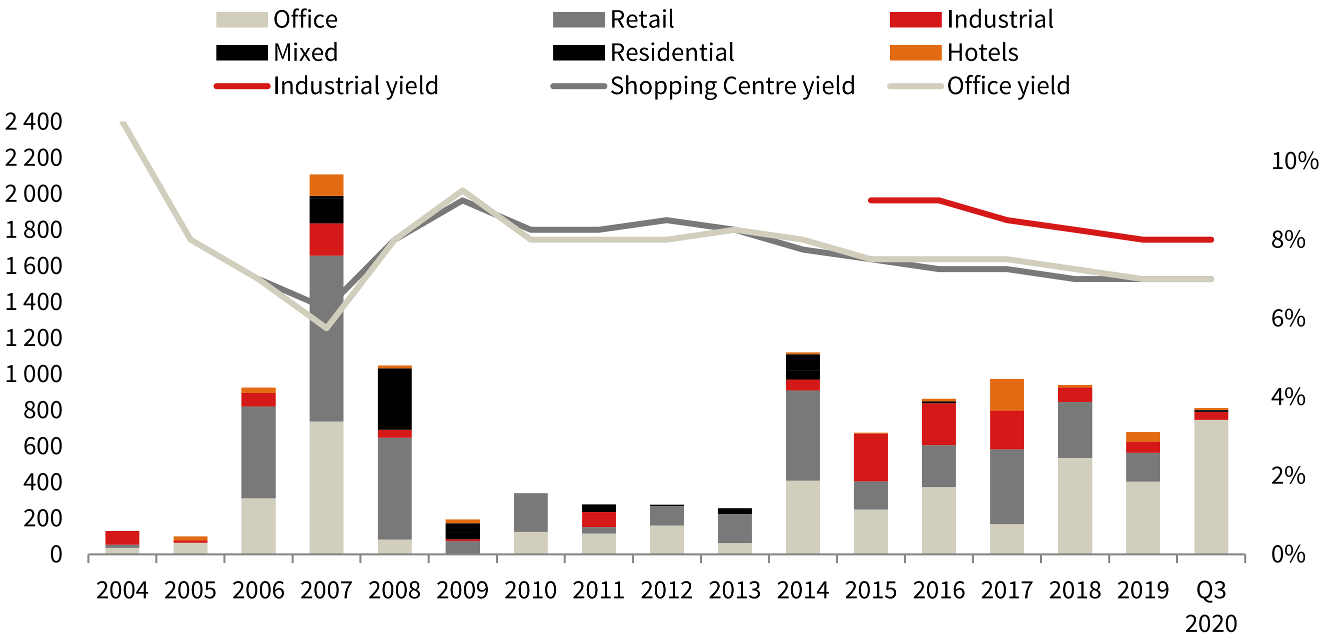
The second largest deal closed during Q3 was the sale of the 37,500 sqm GLA office complex Floreasca Park in Bucharest. The project was sold by GLL to Resolution Property Investment Management and Zeus Capital for an estimated €101 million.

The office sector dominated investment volumes in the first nine months of 2020, with a market share of 92%. The logistics sector accounted for 5.5%, representing an investment volume of €45 million. The largest transaction included the Equest Logistic Park with GLA of 57,000 sqm in Bucharest sold by Forum Serdika to CTP for €30 million.

Although the road ahead is uncertain, considering the persistence of the COVID-19 pandemic and the restrictions associated with it, there is a consistent pipeline of deals which could be closed in the near future and throughout 2021.

Both prime office and retail yields were resilient in Q3, standing at 7%, while prime industrial yields remained at 8%. Prime assets with unexpired lease terms significantly longer than the market average can achieve yields below those quoted as prime.

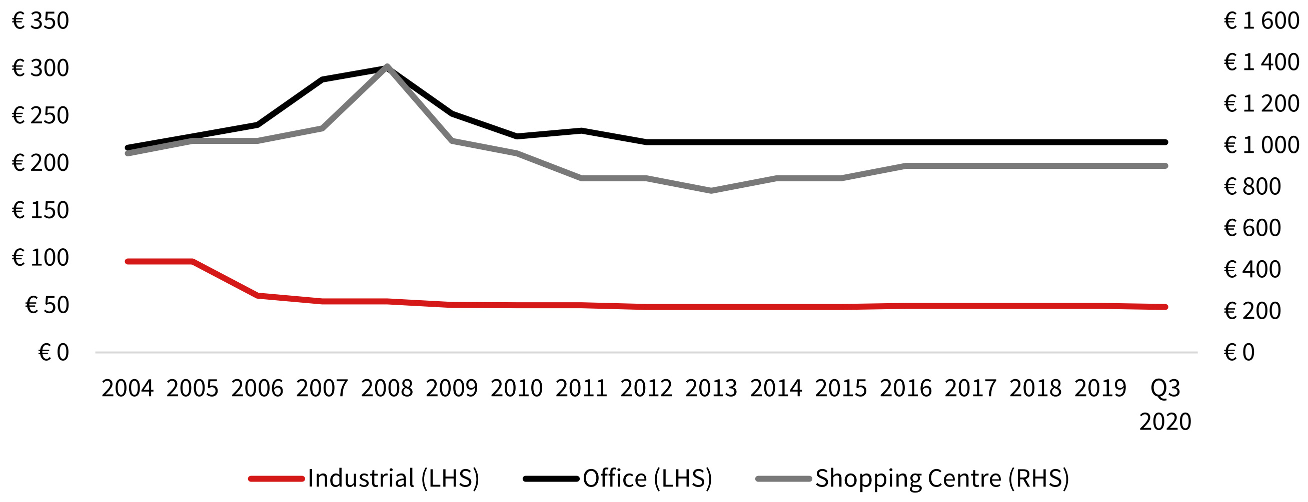
Investment volumes by asset class and development of prime yields in Romania (in mill €)



Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3 2020
Volume (mill €)	75	11	75	178	44	10	0	85	0	0	59	265	234	214	80	61	45
Prime Yield (%)												9.00	9.00	8.50	8.25	8.00	8.00

Source: JLL Research, December 2020

Development of Prime Rents per sqm p.a. in Romania



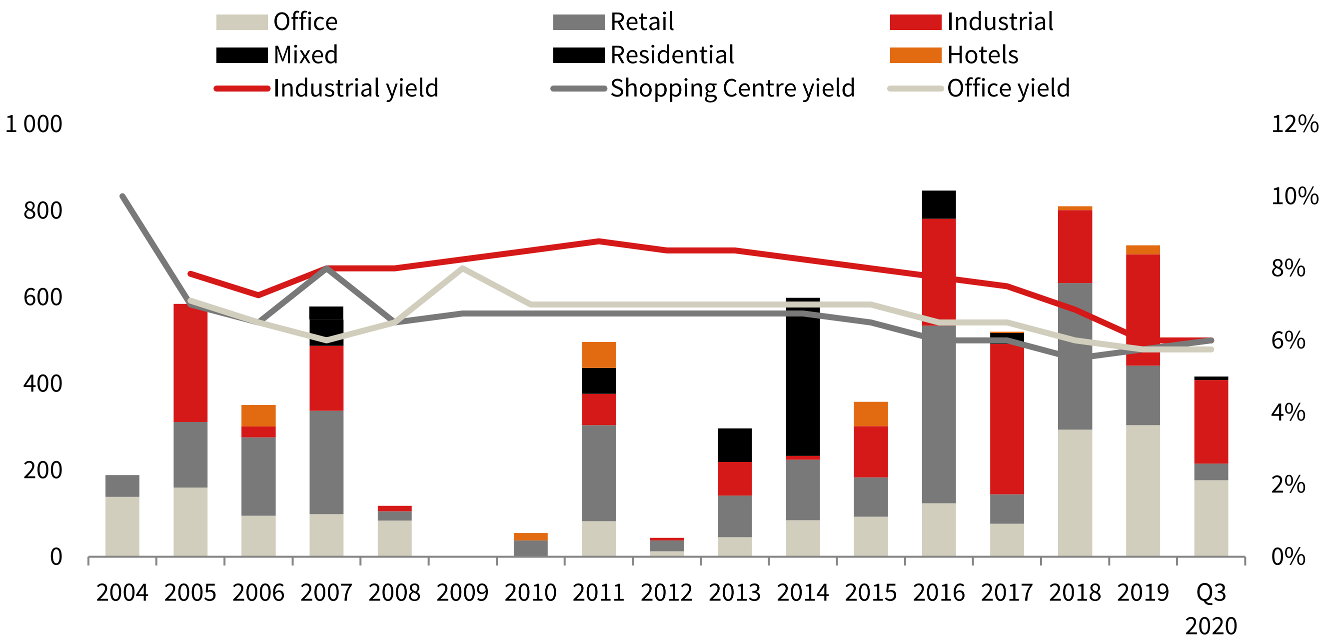
Source: JLL Research, December 2020

12.3.4 Investment market overview of Slovakia

Over the Q1-Q3 2020 period, the investment volume of nearly €417 million slightly surpassed the same period a year ago, and both industrial and office sectors recorded stable volumes. The two sectors dominated the market with their combined market share of 89% (logistics accounted for 46% and offices for 43%).

The relatively high volume, especially in Q1, was a consequence of slipped deals from the end of the previous year. The number of deals decreased but the average deal size reached ca. €50 million, especially due to large industrial transactions. A positive sign is that the buyers did not pull back from the ongoing transactions. Recent development intensified a move towards defensive asset classes and prime core/core+ assets. Many investors focus on income stability, longer unexpired lease terms and strong covenants. Many of these requirements were fulfilled in some of the traded assets.

Investment volumes by asset class and development of prime yields in Slovakia (in mill €)



Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Q3 2020
Volume (mill €)	0	273	26	150	13	0	0	73	6	77	9	119	247	347	169	257	193
Prime Yield (%)	n/a	7.85	7.25	8.00	8.00	8.25	8.50	8.75	8.50	8.50	8.25	8.00	7.75	7.50	6.85	6.00	6.00

Source: JLL Research, December 2020

The industrial sector has gained significance within overall investment volumes over the last years. The pandemic situation and its economic consequences have strengthened this trend. Continuing occupiers' demand, at the moment mostly coming from e-commerce and food retailers, proved the resilience of the sector. Major institutional investors target quality assets and bid at levels satisfactory to sellers. 46% of the total market share in Q1-Q3 2020 came from three considerable industrial deals.

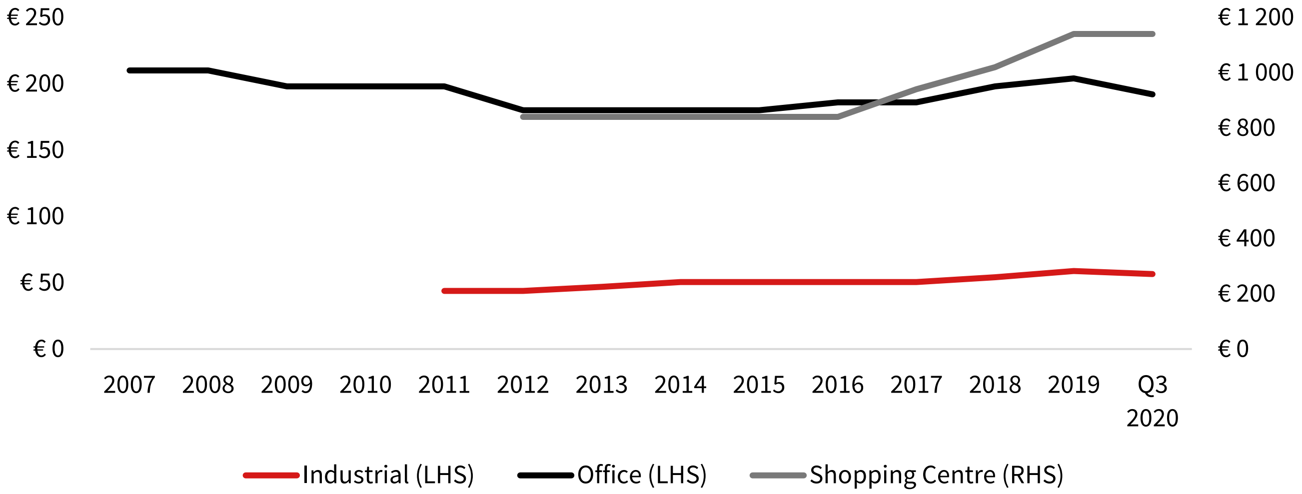
All of these are located in Western Slovakia, Senec, the biggest warehousing and logistics hub in Slovakia and thus an attractive market for international and regional investors. Two out of the three transactions were part of platform pan–regional deals. The first deal worth of €80 million, the Goodman Portfolio, was concluded at the beginning of the year and comprised 114,000 sqm of GLA. GLP (i.e. Global Logistic Properties) were the buyers. The second transaction worth of €83 million included Palmira Park Senec with GLA of 130,000 sqm, sold by Palmira to GIC, a Singaporean sovereign wealth fund, with Point Park Properties - P3 as a manger. The last one, PNK Sered with GLA of 45,000 sqm, was traded for €30 million between PNK Logistics and REICO, the buyer.

In the first nine months of 2020, **the office sector** saw the sale of Rosum for €60 million, an institutional quality asset in a non-core location developed by PENTA Real Estate, which was acquired by private Austrian investor– ECE (European City Estates). PENTA RE also sold a part of its office scheme in Kosice, known as BCT 1, to Occam Real Estate for €22 million. Volume-wise the largest office transaction was the sale of Twin City B from HB Reavis to one of its investment fund structures with different equity sources. This prime scheme, located in CBD, is anchored by Swiss Re and features an above-market standard unexpired lease term. Currently there is a significant amount of 'dry powder' waiting to be deployed with focus on prime core office assets. Should any of the A – class office schemes be on sale, it is likely that a deal, if well managed, could be successfully closed.

The majority of ongoing transactions in **the retail sector** have been postponed or frozen for the time being with one exception. Atrium, a shopping centre specialist with focus on CEE, sold its asset in Zilina to Slovak HNWI who already owns retail schemes across Slovakia. The deal closed in Q1 2020, after having been negotiated during 2019. Further this year smaller transactions could take place, involving retail parks. If anchored by a food retailer with the right tenant mix and strategically located, retail parks are considered resilient, tradeable and liquid.

At present we see activity and positive sentiment from investors' point of view, primarily looking for prime core assets in office and industrial sectors. As of Q3 2020 our view on prime yields is as follows: prime offices at 5.75%, prime industrial at 6.0%, prime shopping centres at 5.75% and prime retail warehouses at 7.25%.

Development of Prime Rents per sqm p.a. in Slovakia



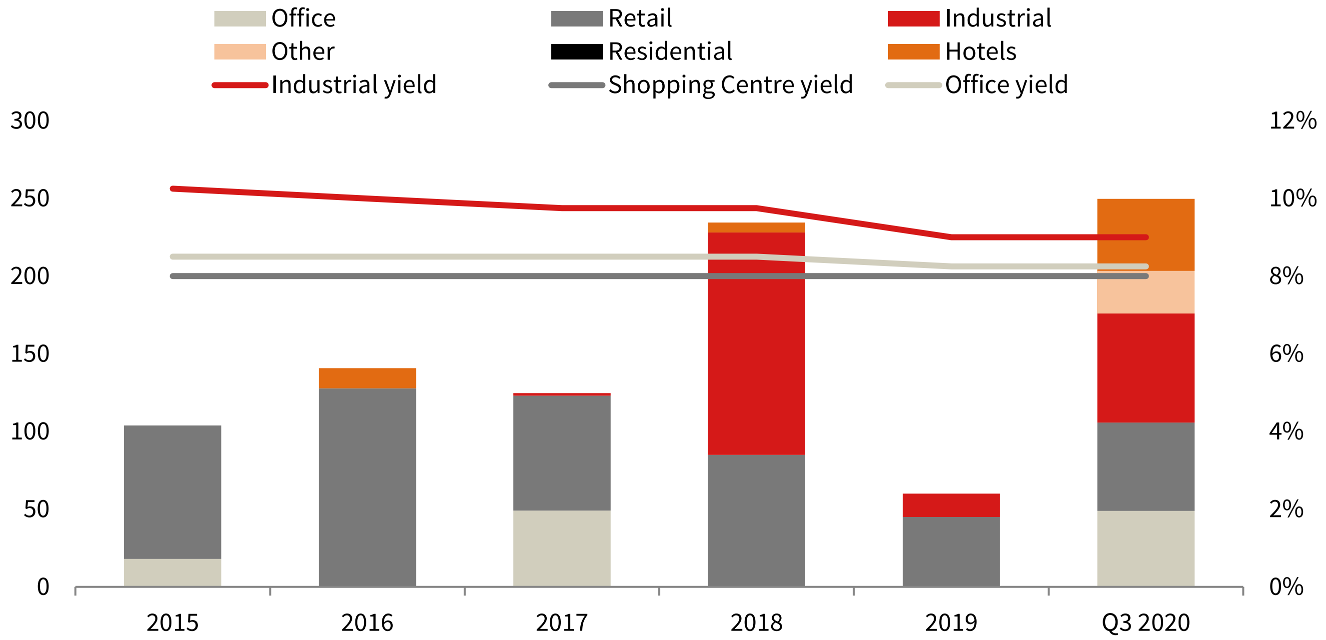
Source: JLL Research, December 2020

12.3.5 Investment market overview of Serbia

In Serbia, over the Q1-Q3 2020 period, the total investment volume stood at €250 million, surpassing 2019 volumes by fourfold. The most active sectors were industrial and retail, accounting for 28.1% and 22.8% of the market share respectively.

Since 2015 the investment market has been growing in Serbia, being recognised by various international institutional funds. The major driver of this investment growth has been the retail sector which has significantly evolved since 2015, accounting for 52% of the total investment volumes traded between 2015 and Q3 2020. Over the same period the second most liquid sector was logistics with 25.2% of the market share, followed by offices and hotels, accounting for 12.7% and 7.2% respectively.

Investment volumes by asset class and development of prime yields in Serbia (in mill €)



Industrial Highlights	2015	2016	2017	2018	2019	Q3 2020
Volume (mill €)	0	0	2	143	15	70
Prime Yield (%)	10.25%	10.00%	9.75%	9.75%	9.00%	9.00%

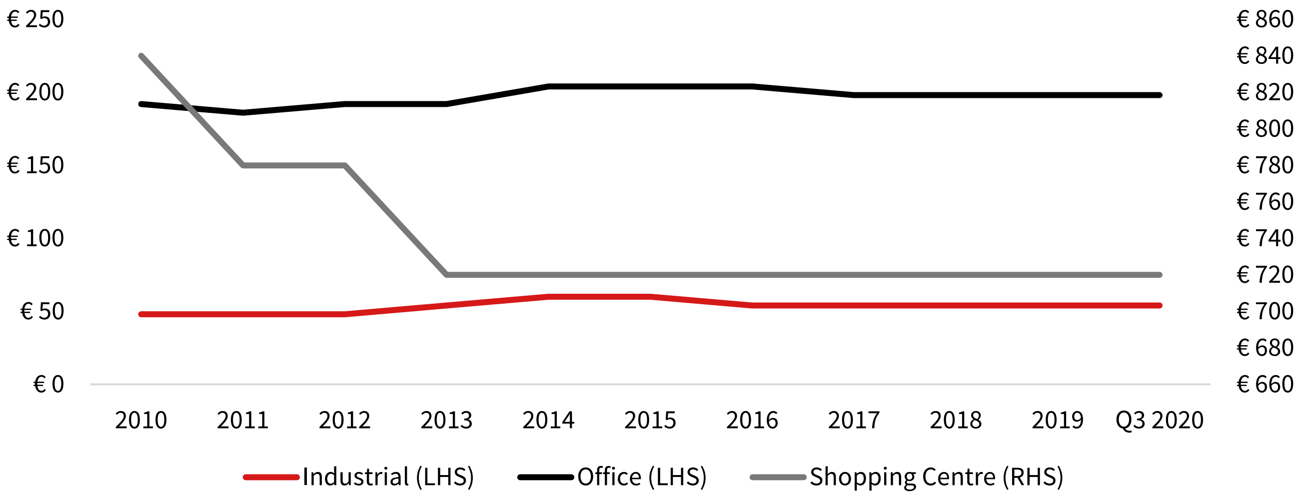
Source: JLL Research, December 2020

In the industrial sector, there have been very few transactions which could be considered typical investment deals as there are few foreign investors active in Serbia and domestic players dominate the market, by purchasing land and developing industrial assets. CTP belongs to the first foreign companies which have entered the market with the intention to develop industrial assets and create an institutional investment product.

Two notable industrial transactions in 2020 included the acquisition of Kuehne + Nagel logistics asset by BIG Shopping Centers in Belgrade for €20 million, acquired from Kokir Gradnja in July 2020 and the sale of a value-add fmr Pobeda property located in Petrovaradin. The latter was sold for €50 million by the MK Group and purchased by Marera Properties in June 2020.

As of Q3 2020 our view on prime yields is as follows: prime offices at 8.25%, prime industrial at 9.0% and prime shopping centers at 8.0%. As the market is relatively immature compared to other more developed European countries, strong interest in Serbia is expected going forward.

Development of Prime Rents p.a. in Serbia



Source: JLL Research, December 2020

13 Replacement cost estimates for prime industrial assets

The following table provides JLL's high-level view of replacement costs for prime industrial assets across the five CEE countries in which CTP operates. These replacement costs consist of construction hard costs (representing any costs involved in the physical construction of a project), professional fees as well as land values. The considered land values assume a respective zoning plan allowing for industrial development and for 50% of building density.

Cost to build prime industrial property		**Czech Republic**	**Hungary**	**Romania**	**Slovakia**	**Serbia**
Hard Costs	per GLA	€ 480	€ 517	€ 417	€ 480	€ 429
Professional Fees	% of Hard Cost	10%	10%	10%	10%	10%
Total Construction Costs		**€ 528**	**€ 569**	**€ 459**	**€ 528**	**€ 472**
Cost of land with a zoning permit in place						
Cost of Land	**per sqm**	**€ 120**	**€ 60**	**€ 50**	**€ 100**	**€ 40**
If building density assumed at 50%:		€ 240	€ 120	€ 100	€ 200	€ 80
Total Replacement Cost		**€ 768**	**€ 689**	**€ 559**	**€ 728**	**€ 552**

Source: JLL, December 2020

14 CTP's Industrial Market Share

As of the end of September 2020, CTP owned an industrial portfolio of 4.7 million of sqm across CZ, HU, RO, SK and SRB which constitutes 23.5% of the market share in these markets, confirming CTP's leading market position. In this top ranking CTP is followed by lower market shares of Prologis and P3, standing at 11.7% and 10.5% respectively.

Top 5 Logistics Owners per country based on GLA:

Czech Republic	GLA (sqm)	Market Share
CTP	**2,531,400**	**28.2%**
P3	1,318,300	14.7%
Prologis	1,279,300	14.2%
Accolade	532,500	5.9%
VGP	493,100	5.5%
Others	2,824,100	31.5%
Total Stock	**8,978,600**	**100.0%**

Hungary*	GLA (sqm)	Market Share
ProLogis	626,700	26.7%
CTP	**283,200**	**12.0%**
Waberers	203,600	8.7%
WING	194,500	8.3%
GLP	157,800	6.7%
Others	885,400	37.7%
Total Stock	**2,351,110**	**100.0%**

Romania	GLA (sqm)	Market Share
CTP	**1,410,200**	**29.0%**
WDP	942,100	19.3%
P3	380,000	7.8%
Globalworth	244,000	5.0%
Zacaria	172,600	3.5%
Others	1,722,300	35.4%
Total Stock	**4,871,200**	**100.0%**

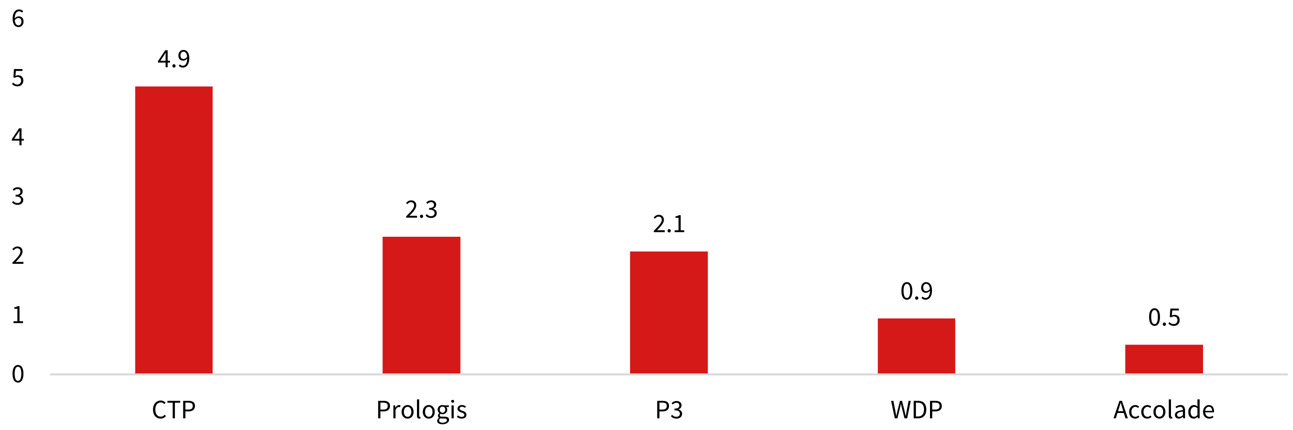
Slovakia	GLA (sqm)	Market Share
Prologis	415,300	15.1%
P3	387,700	14.1%
CTP	**344,500**	**12.5%**
CNIC	303,000	11.0%
GLP	166,500	6.0%
Others	1,137,600	41.3%
Total Stock	**2,754,600**	**100.0%**

Serbia	GLA (sqm)	Market Share
CTP	**91,000**	**9.9%**
Others	824,000	90.1%
Total Stock	**915,000**	**100.0%**

Source: JLL Research, December 2020

Note: *The ownership of industrial stock is monitored in the Greater Budapest region only and thus does not include the whole of Hungary. Based on CTP's development activities in Hungary, CTP is a key market player, owning nearly 530,000 sqm of industrial stock across Hungary.

Top 5 Logistics Owners in CZ, HU, SB, SK, RO (by GLA in mil sqm)



Source: JLL Research, Q3 2020

Based on the take-up realised across the markets of CZ, HU, RO and SK over the last 12 months (Q4 2019 - Q3 2020), CTP's assets have accounted for 32.9% and 30.0% of net and gross take-up respectively.

Largest 5 local logistics players per country based on net take-up* over Q4 2019 – Q3 2020

Czech Republic	Net Take-up	Market Share
CTP	**283,800 sqm**	**37.5%**
P3	120,800 sqm	15.9%
Prologis	99,100 sqm	13.1%
Accolade	77,100 sqm	10.2%
Consens Invest.	51,000 sqm	6.7%
Others	125,700 sqm	16.6%
Total	**757,400 sqm**	**100.0%**

Hungary**	Net Take-up	Market Share
CTP	**100,400 sqm**	**34.3%**
Prologis	60,100 sqm	20.5%
Mapletree	37,500 sqm	12.8%
Weerts	32,400 sqm	11.1%
WING	20,600 sqm	7.0%
Others	41,700 sqm	14.3%
Total	**292,700 sqm**	**100.0%**

Romania	Net Take-up	Market Share
WDP	166,300 sqm	32.9%
CTP	**159,600 sqm**	**31.6%**
P3	50,500 sqm	10.0%
Globalworth	22,900 sqm	4.5%
VGP	12,600 sqm	2.5%
Others	93,800 sqm	18.6%
Total	**505,700 sqm**	**100.0%**

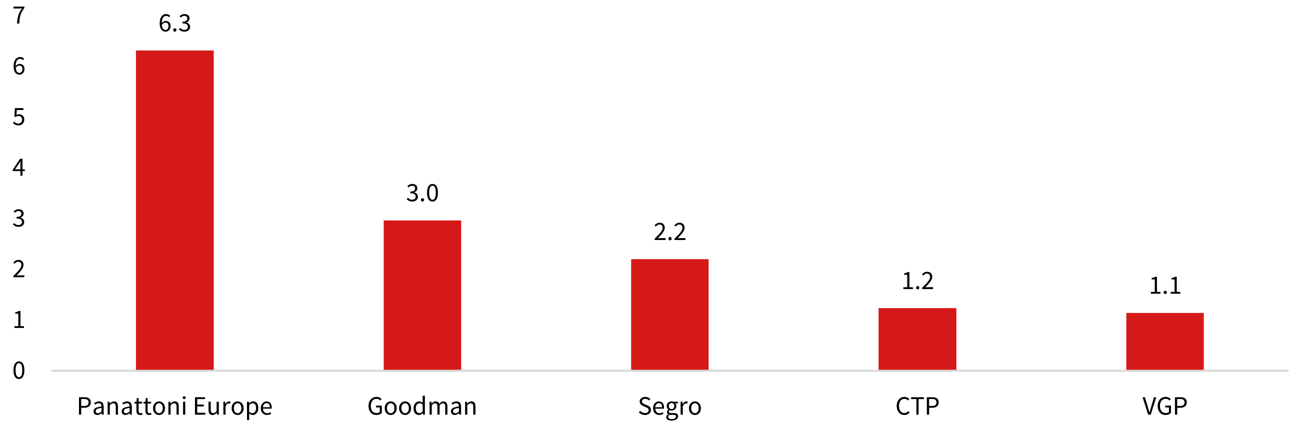
Slovakia	Net Take-up	Market Share
Prologis	50,600 sqm	24.8%
CTP	**34,700 sqm**	**16.9%**
P3	34,500 sqm	16.9%
GLP	19,500 sqm	9.5%
Karimpol	13,200 sqm	6.5%
Others	52,000 sqm	25.4%
Total	**204,500 sqm**	**100.0%**

Source: JLL Research, December 2020
Notes:
*Net take-up represents floorspace acquired within a market for occupation during the survey period. A unit is registered as taken-up when a legally binding agreement to lease the unit has been concluded. Net take-up includes new transactions, including extensions to the existing lease contracts and the pre-lettings of floorspace in the course of development or prior to the start of construction. Net take-up excludes lease renewals or renegotiations.
**The industrial take-up is monitored in the Greater Budapest region only and thus does not include data for the whole of Hungary.

Building on its relationships with public authorities, existing customers and its development track-record, CTP has gained competitive advantage in the selected CEE markets. As these particular markets are characterised by a strong barrier to entry, they favor the established players. Given CTP's accumulated critical mass, land banks and pipeline of development projects, the advantage of its position rests in the ability to offer a network of locations to a variety of businesses.

In addition, based on a delivery of 1,234,417 sqm of logistics floor space between 2017 and 2019, CTP belongs to the main logistics developers in Europe.

Top European logistics developers based on delivered space between 2017 and 2019 (GLA, in mil sqm)



Source: 2020 Top Logistics Developers Survey by Property EU Magazine, May 2020
Note: Prologis and Logicor declined to take part in the ranking.

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Jones Lang LaSalle s.r.o.

Project Carrera

Market Report Update:Addendum I

Prepared for CTP B.V.

19 February 2021

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1 CEE Industrial Occupational Market Indicators Q4 2020

1.1 The Czech Republic[1]

1.1.1 Supply dynamics

Overall Industrial Market Statistics of the Czech Republic (Q4 2020)	
Total stock	9,087,900 sqm
New supply completed in Q1 – Q4 2020	664,200 sqm
Space Under Construction	344,600 sqm
Gross Take-up in Q1 – Q4 2020	1,525,200 sqm
Net Take-up in Q1 – Q4 2020	810,600 sqm
Vacancy rate	4.2%
Prime rent	4.75 EUR/sqm/month

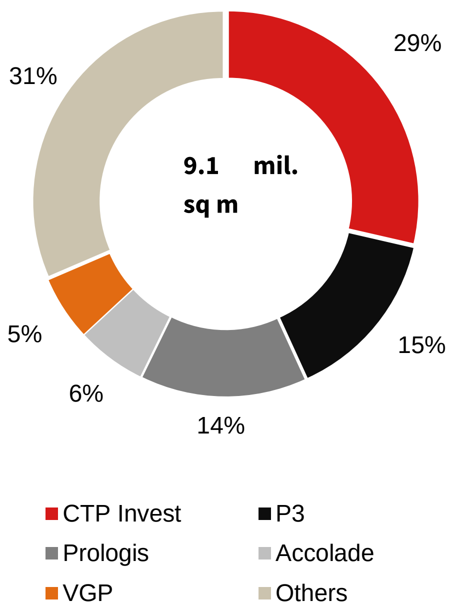
Source: JLL, Industrial Research Forum, Q4 2020

1 Czech industrial market data refers to the modern stock of logistics and light industrial use of class A quality owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data includes transactions of all sizes.

Warehouse Ownership Split

At the end of Q4 2020, the Czech largest logistics market players included CTP with a 29% market share, followed by P3, Prologis and Accolade, according to the Czech Industrial Research Forum.[2]

Industrial Space by Ownership Q4 2020



Source: JLL, Industrial Research Forum, Q4 2020

Note: Based on owned, use-permitted industrial space (A-class).

1.1.2 Demand dynamics

Evolution of net take-up from 2015 to 2020

2015	2016	2017	2018	2019	2020	5-year average (2016-2020)
915,500 sqm	908,200 sqm	1,000,300 sqm	798,200 sqm	1,061,200 sqm	810,600 sqm	**915,700 sqm**

Source: JLL, Q4 2020

Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

2 The Industrial Research Forum was established in 2010 with the aim to provide clients with consistent, accurate and transparent data about the Czech industrial real estate market. The members of the Industrial Research Forum, CBRE, Colliers International, Cushman & Wakefield and JLL, share non-sensitive information and believe the establishment of the Industrial Research Forum enhances transparency on the market.

1.2 Romania[3]

1.2.1 Supply dynamics

Overall Industrial Market Statistics of Romania (Q4 2020)	
Total stock	5,052,000 sqm
New supply completed in 2020	588,000 sqm
Space Under Construction	669,500 sqm
Gross Take-up in 2020	831,200 sqm
Net Take-up in 2020	661,100 sqm
Vacancy rate	6.2%
Prime rent	4.0 EUR/sqm/month

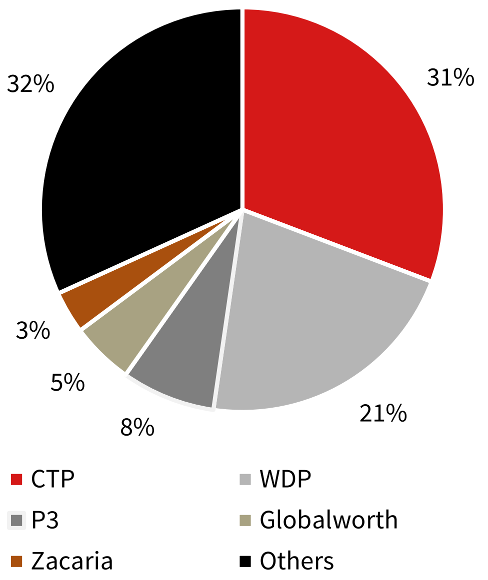
Source: JLL, February 2020

3 Romanian industrial market data refers to modern stock of logistics and light industrial use of class A and B, owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data include transactions of all sizes.

Warehouse Ownership Split

At the end of Q4 2020, the largest industrial property owners in Romania included CTP with a 31% market share, followed by WDP (21%) and P3 (8%), according to quarterly surveys undertaken by JLL among the industrial property owners in Romania.

Split of Industrial Space by Owners Q4 2020



Source: JLL, Q4 2020

Note: Based on owned use-permitted industrial space (class A and B)

1.2.2 Demand dynamics

Evolution of net take-up from 2015 to 2020

2015	2016	2017	2018	2019	2020	5-year average (2016-2020)
262,900 sqm	356,500 sqm	423,200 sqm	385,100 sqm	490,400 sqm	661,100 sqm	**463,300 sqm**

Source: JLL, February 2020

Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

1.3 Hungary[4]

1.3.1 Supply dynamics

Overall Industrial Market Statistics of Greater Budapest (Q4 2020)	
Total stock	2,374,900 sqm
New supply completed in 2020	127,900 sqm
Space Under Construction	150,000 sqm
Gross Take-up in 2020	537,900 sqm
Net Take-up in 2020	343,500 sqm
Vacancy rate	2.0%
Prime rent	4.75 EUR/sqm/month

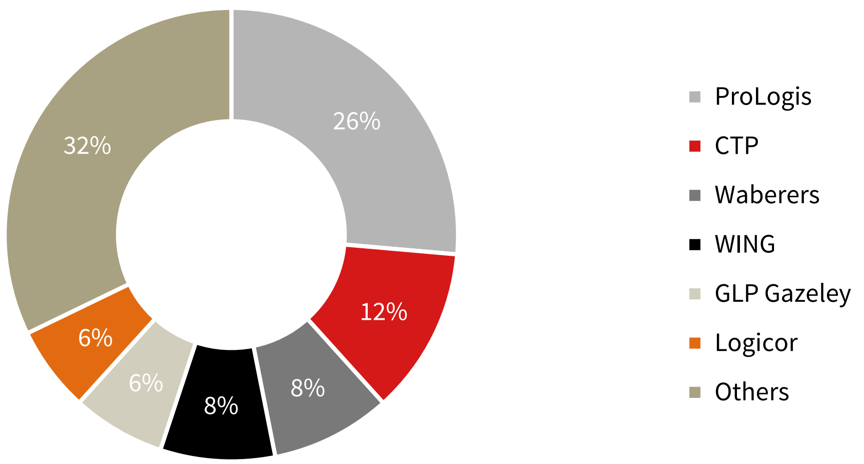
Source: JLL, Q4 2020

4 Hungarian industrial market data refers to modern stock of logistics and light industrial use of class A and B, owned by a developer or investor for lease to third parties, as well as owner-occupied stock. As market data for the entire country is not available, the data in this section refers to the capital city of Budapest and its surroundings (Greater Budapest) which represents the dominant industrial market of Hungary. If not specified otherwise both gross and net take-up data includes transactions of all sizes.

Warehouse Ownership Split

At the end of Q4 2020, the largest industrial property owners in Greater Budapest included Prologis with a 26% market share, followed by CTP 12% and Waberers 8%, according to quarterly surveys undertaken by JLL and Budapest Research Forum[5] with the industrial property owners in Hungary.

Industrial space ownership in Greater Budapest (Q4 2020)



Source: JLL, Q4 2020

Note: Based on owned use-permitted industrial space (class A and B and owner-occupied stock)

1.3.2 Demand dynamics

Evolution of net take-up from 2015 to 2020

2015	2016	2017	2018	2019	2020	5-year average (2016-2020)
174,700 sqm	206,600 sqm	273,400 sqm	171,300 sqm	203,700 sqm	343,500 sqm	**239,700 sqm**

Source: JLL, Q4 2020

Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

5 The Budapest Research Forum (hereinafter the 'BRF') was established in 2000 with its aim to provide clients with consistent, accurate and transparent data about the Budapest office and industrial real estate markets. The members of the BRF, Colliers International, Cushman & Wakefield, ESTON International, JLL and Robertson Hungary, share non-sensitive information and believe the establishment of the Budapest Research Forum enhances transparency of the market.

1.4 Slovakia[6]

1.4.1 Supply dynamics

Overall Industrial Market Statistics of Slovakia (Q4 2020)	
Total stock	2,931,800 sqm
New supply completed in Q1 – Q4 2020	149,300 sqm
Space Under Construction	304,500 sqm
Gross Take-up in Q1 – Q4 2020	414,400 sqm
Net Take-up in Q1 – Q4 2020	321,800 sqm
Vacancy rate	7.9%
Prime rent	4.90 EUR/sqm/month

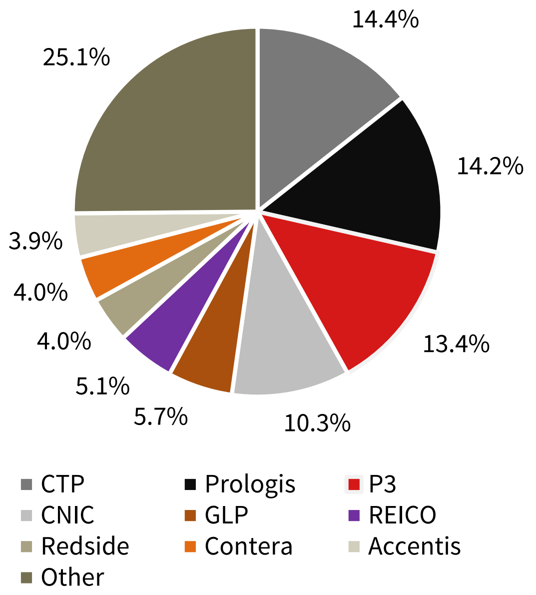
Source: JLL, Q4 2020

6 Slovak industrial market data refers to modern stock of logistics and light industrial use of A class quality owned by a developer or investor for lease to third parties. If not specified otherwise both gross and net take-up data includes transactions of all sizes.

Warehouse Ownership Split

At the end of Q4 2020, the largest property owners in Slovakia included CTP with a 14.4% of market share, followed by Prologis (14.2%) and P3 (13.4%), according to quarterly surveys undertaken by JLL with the industrial property owners in Slovakia.

Stock divided by ownership (Q4 2020)



Source: JLL, Q4 2020

Note: Based on owned use-permitted industrial space (class A)

1.4.2 Demand dynamics

Evolution of net take-up from 2015 to 2020

2015	2016	2017	2018	2019	2020	5-year average (2016-2020)
220,200 sqm	284,000 sqm	224,800 sqm	180,900 sqm	252,700 sqm	321,800 sqm	**252,800 sqm**

Source: JLL, Q4 2020

Note: The data is based on all sizes leasing transactions, including those below 5,000 sqm.

2 Investment Market

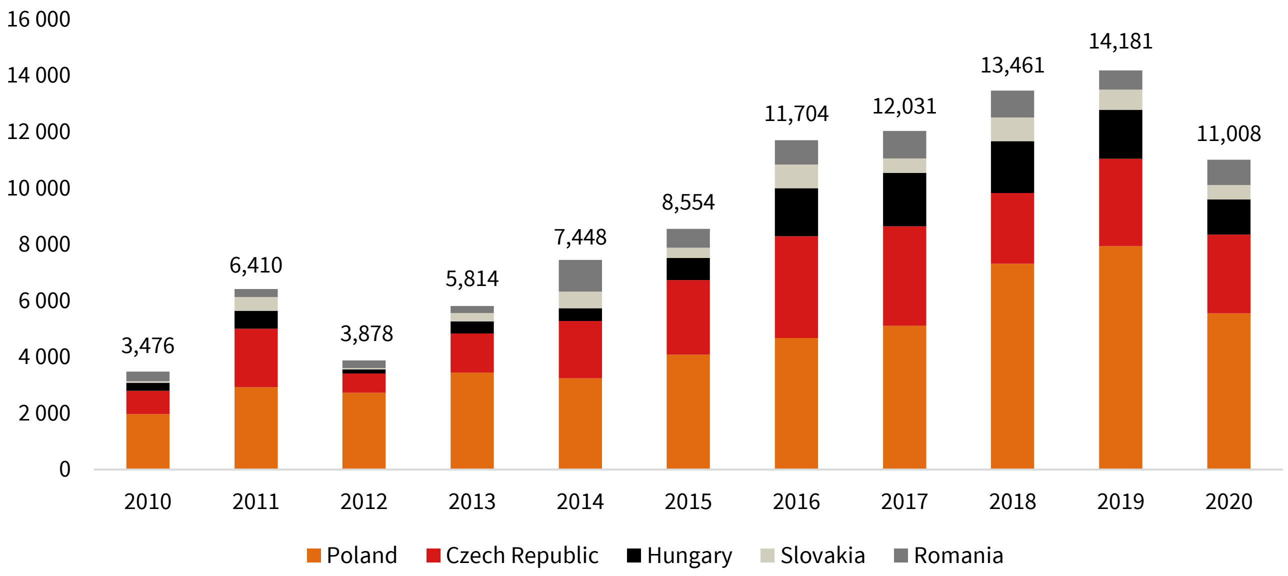
Key CEE industrial transactions per country over the past 5 years

Country	City	Project Name	Year	GLA (sqm)	Est. Price (mil. EUR)	Capital Value (EUR)	Initial Yield	Seller	Buyer
Czechia	various	Goodman Porfolio	2020	107,000	123	1,151	Unknown	Goodman	GLP
Czechia	various	Contera Portfolio (90%)	2019	120,000	90	750	6.90%	Contera	TPG
Czechia	Dobroviz	Amazon AEW	2019	125,000	135	1,080	Confidential	AEW Europe	Samsung Securities
Czechia	various	CTP portfolio	2018	430,000	458	1,065	Confidential	CTP	DEKA
Czechia	Plzen	Stage Capital Portfolio	2017	155,000	126	810	Confidential	Stage Capital	CBRE Global Investors
Czechia	various	P3 Logistic Parks portfolio	2016	1,030,000	761	739	Confidential	TPG / P3	GIC
Hungary	Üllő	Goodman Porfolio	2020	136,000	100	735	Unknown	Goodman	GLP
Hungary	various	Regional Portfolio	2019	83,000	30	355	Unknown	M7 Real Estate	CNIC
Hungary	Vecses	Aerozone Business Park	2019	62,035	45	725	7.50%	M7 Real Estate	Confidential
Hungary	Vecses	Aerozone Logistics Park	2017	62,035	34	551	8.75%	CAImmo&Union	M7 Real Estate
Hungary	Budapest	South Pest Business Park	2017	32,282	28	852	8.50%	WING	Diófa RE Fund
Romania	Bucharest	Equest Logistic Park	2020	57,000	30	526	Unknown	Forum Serdika	CTP
Romania	Bucharest	Industrial Park on A1km13	2019	68,000	40	588	Unknown	Vabeld	CTP
Romania	various	Logicor Portfolio (5 assets)	2017	unknown	78	n/a	Unknown	Blackstone	CIC
Romania	various	P3 Logistic Parks portfolio	2016	300,000	117	390	Confidential	TPG / P3	GIC
Romania	Bucharest	Bucharest West	2015	130,000	63	485	Confidential	Portland Trust	CTP
Serbia	Belgrade	Kuehne + Nagel	2020	17,000	20	1,176	Unknown	KokirGradnja	BIG Shopping Centers
Serbia	Petrovaradin	fmr Pobeda	2020	75,000	50	667	Unknown	MK Group	Marera Properties
Serbia	Stara Pazova	Logmaxx Alpha	2019	18,000	15	833	Unknown	Eyemaxx	Unknown
Serbia	Belgrade	Avala Ada & Fabrika Hartije	2018	55,000	133	2,418	Unknown	Kappa Star	Smurfit Kappa
Serbia	Belgrade	Phoenix Pharma	2018	12,000	10	833	Unknown	Unknown	CTP
Slovakia	Senec	Goodman Senec	2020	114,000	85	750	6.20%	Goodman	GLP
Slovakia	Senec	Palmira Park Senec	2020	127,200	97	763	Unknown	Palmira	Point Park Properties P3
Slovakia	Bratislava	Vector Parks	2019	117,000	101	859	Confidential	Macquarie IRA	TPG
Slovakia	Galanta	Prologis Galanta	2017	241,000	125	519	Confidential	Prologis	CNIC
Slovakia	various	P3 Logistic Parks portfolio (SK part)	2016	214,356	134	623	7.25%	TPG / P3	GIC

Source: JLL Research, Q4 2020

2.1 CEE investment market overview

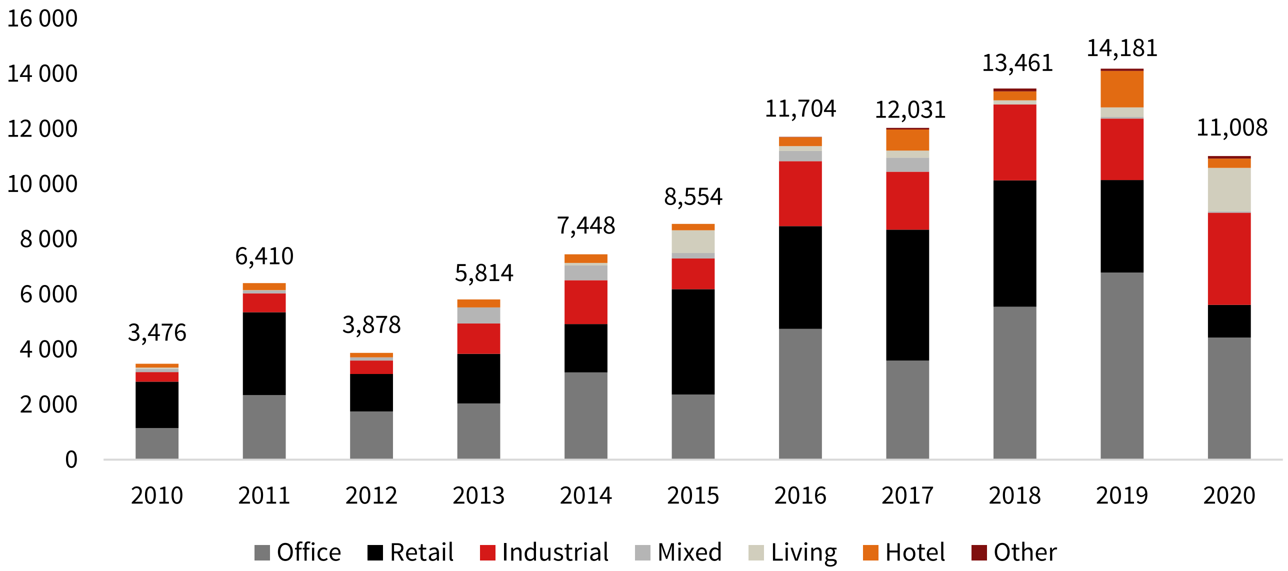
Development of CEE Investment Volumes by Countries (in mill €)



Source: JLL Research, Q4 2020

Note: Includes the following asset classes: office, retail, industrial, mixed, living, hotel and other.

Development of CEE Investment Volumes by Sectors (in mill €)



Source: JLL Research, Q4 2020

Note: Includes Poland, the Czech Republic, Hungary, Slovakia and Romania.

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Project Carrera

The CEE markets continue to attract strong interest from investors, both international and domestic. However, with a shortage of available product and the impact of Covid-19, there have been volume declines across nearly all markets. The major trends and highlights of 2020:

- The total CEE investment volume represented a total of €11 billion, representing a 22% decline from 2019.
- Poland continued its dominance with 51% of total CEE volume and notably a strong year in logistics. Q1 was very active with roll-over deals from 2019 but as the year progressed volumes declined compared to previous years with a country total of €5.6 billion, showing a 30% decline from 2019. Still the 3rd highest volume on record.
- Accountign for 25% of total CEE volumes, the Czech Republic recorded €2.8 billion of annual investment, declining by less than 10% y-o-y. The market saw the largest deal in its history with the Residomo transaction of €1.3 billion. Investor demand was strong for core office and industrial products.
- In Hungary there was a y-o-y decline of 25% with the office sector dominating the marekt, accounting for 65% of market share. The previous high dominance of domestic capital in 2019 has been reversed back in 2020 to an equal split between foreign and domestic capital.
- In Romania, 2020 started with a large pipeline of transactions; several high-profile office deals were in advanced stages of negotiation. The total transaction volume for 2020 represented a significant, 31%, increase from 2019, making Romania the only country in the region to show positive trend which was driven mainly by the large NEPI/Rockcastle portfolio acquired by AFI.
- In Slovakia, despite a very promising start of the year, investment volumes declined by 28% y-o-y. Investor demand remained strong for core and core+ industrial. In 2020, prime office and shopping centre yields saw some upward pressure in comparison to 2019 whilst the logistics sector is expected to see some small compression as 2021.
- The outlook for 2021 is with cautious optimism but the outcome will be dependent on the successful roll out of vaccination programme and a return to confidence in the markets. Leading international and domestic regional investors are still heavily focused on investing into the CEE region, especially in the industrial sector which seems to be the least affected by the global pandemic.

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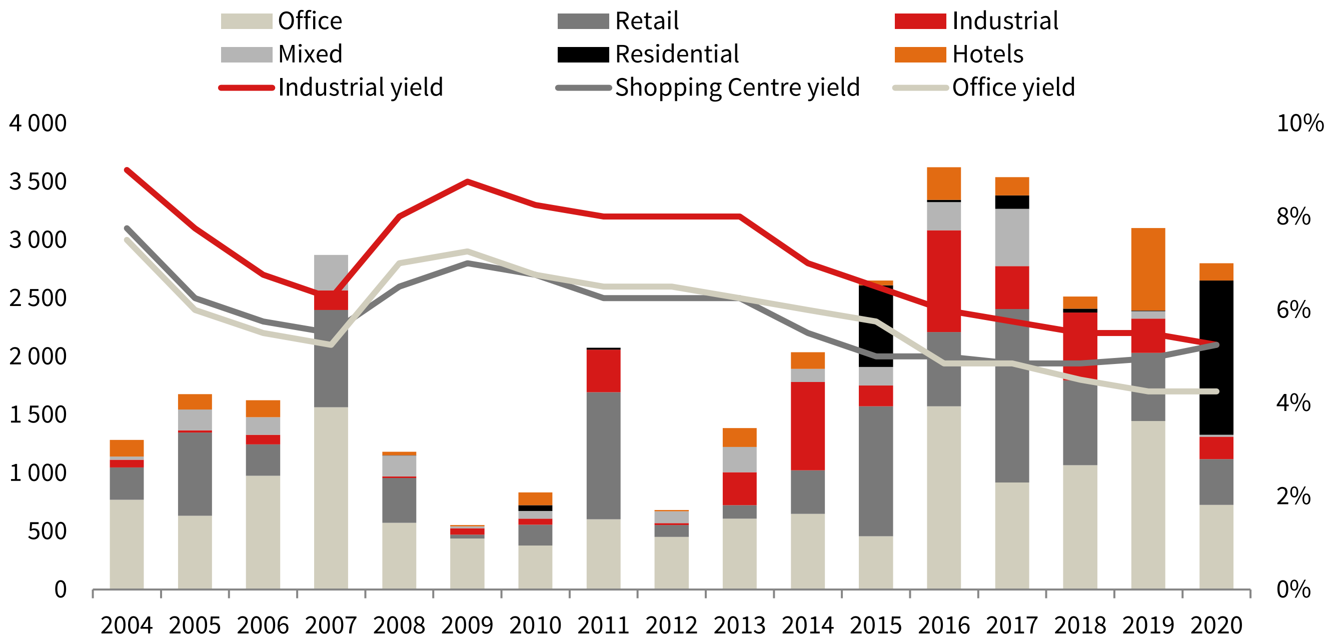
2.1.1 Investment market overview of the Czech Republic

Investment volumes by asset class and development of prime yields in the Czech Republic (in mill €)

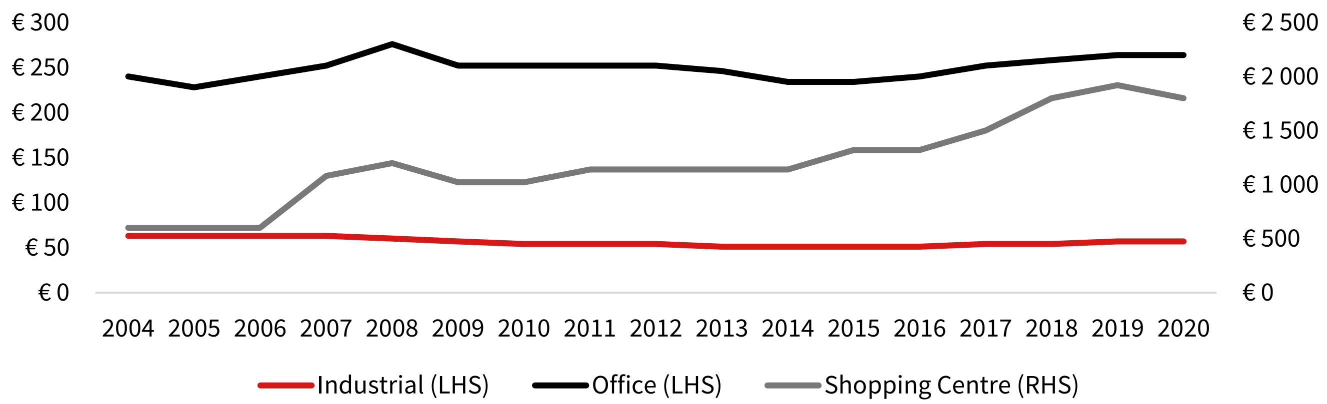


Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Volume (mill €)	67	18	81	167	14	55	52	366	16	284	759	178	873	366	583	292	192
Prime Yield (%)	9.00	7.75	6.75	6.25	8.00	8.75	8.25	8.00	8.00	8.00	7.00	6.50	6.00	5.75	5.50	5.50	5.25

Source: JLL Research, Q4 2020

As of Q4 2020, our view on prime yields was as follows: prime offices at 4.25%, prime shopping centres at 5.25%, industrial and logistics at 5.25%, prime retail parks at 6.00% while prime high-street assets at 4.00%.

Development of Prime Rents per sqm p.a. in the Czech Republic



Source: JLL Research, Q4 2020

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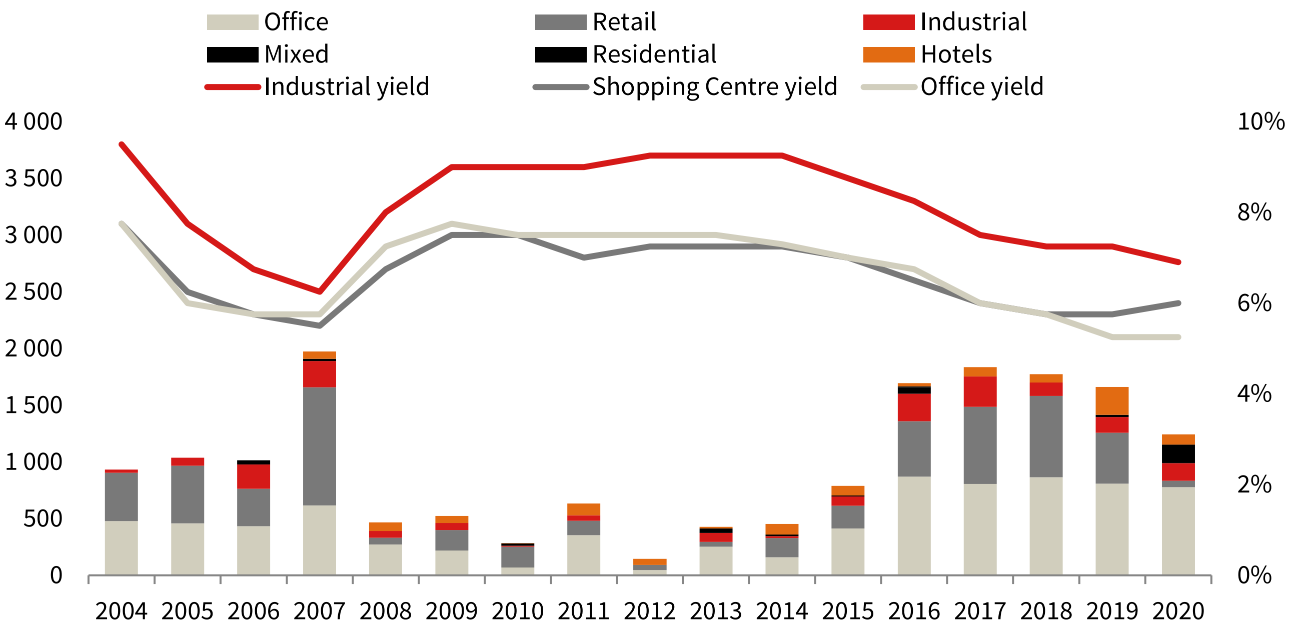
2.1.2 Investment market overview of Hungary

Investment volumes by asset class and development of prime yields in Hungary (in mill €)

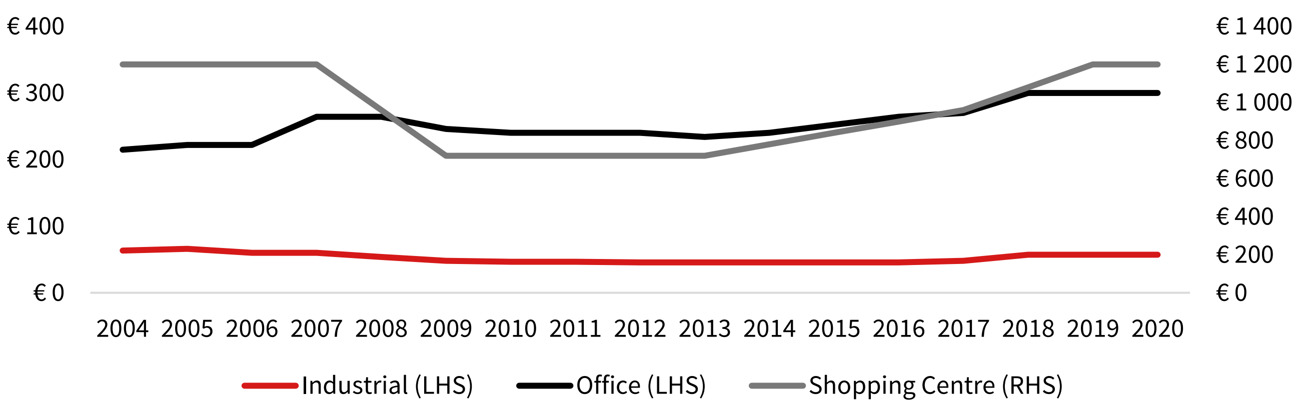


Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Volume (mill €)	30	70	215	229	59	63	8	49	0	80	19	84	244	269	120	140	157
Prime Yield (%)	9.50	7.75	6.75	6.25	8.00	9.00	9.00	9.00	9.25	9.25	9.25	8.75	8.25	7.50	7.25	7.25	6.90

Source: JLL Research, Q4 2020

In terms of yields, as of Q4 2020 we registered the prime shopping centre yield standing at 6.00%, prime office yields flat at 5.25% and prime logistics compressing by 10 bps q-o-q to 6.90%.

Development of Prime Rents per sqm p.a. in Hungary



Source: JLL Research, Q4 2020

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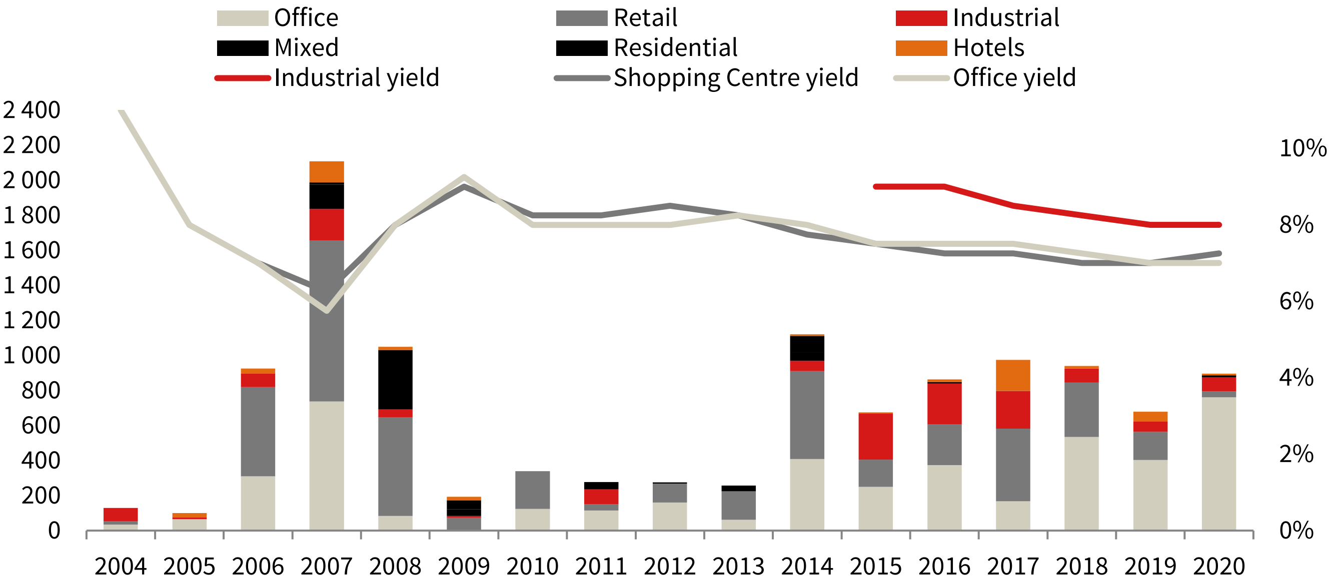
2.1.3 Investment market overview of Romania

Investment volumes by asset class and development of prime yields in Romania (in mill €)

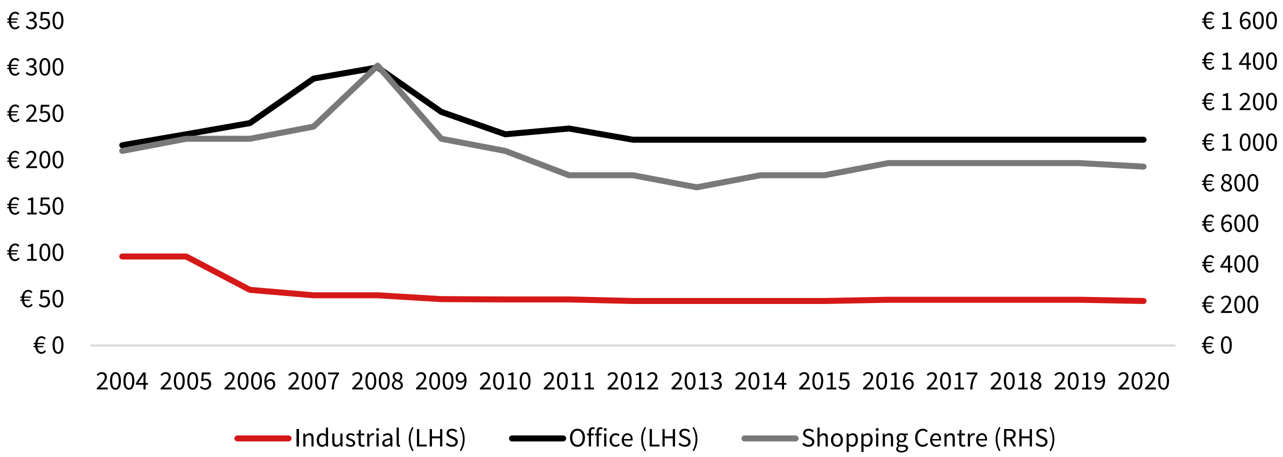


Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Volume (mill €)	75	11	75	178	44	10	0	85	0	0	59	265	234	214	80	61	80
Prime Yield (%)												9.00	9.00	8.50	8.25	8.00	8.00

Source: JLL Research, Q4 2020

As of Q4 2020 prime office yields stood at 7.00%, prime retail yields at 7.25%, while prime industrial yields at 8.00%. Retail yields have increased by 25 bps over the year.

Development of Prime Rents per sqm p.a. in Romania



Source: JLL Research, Q4 2020

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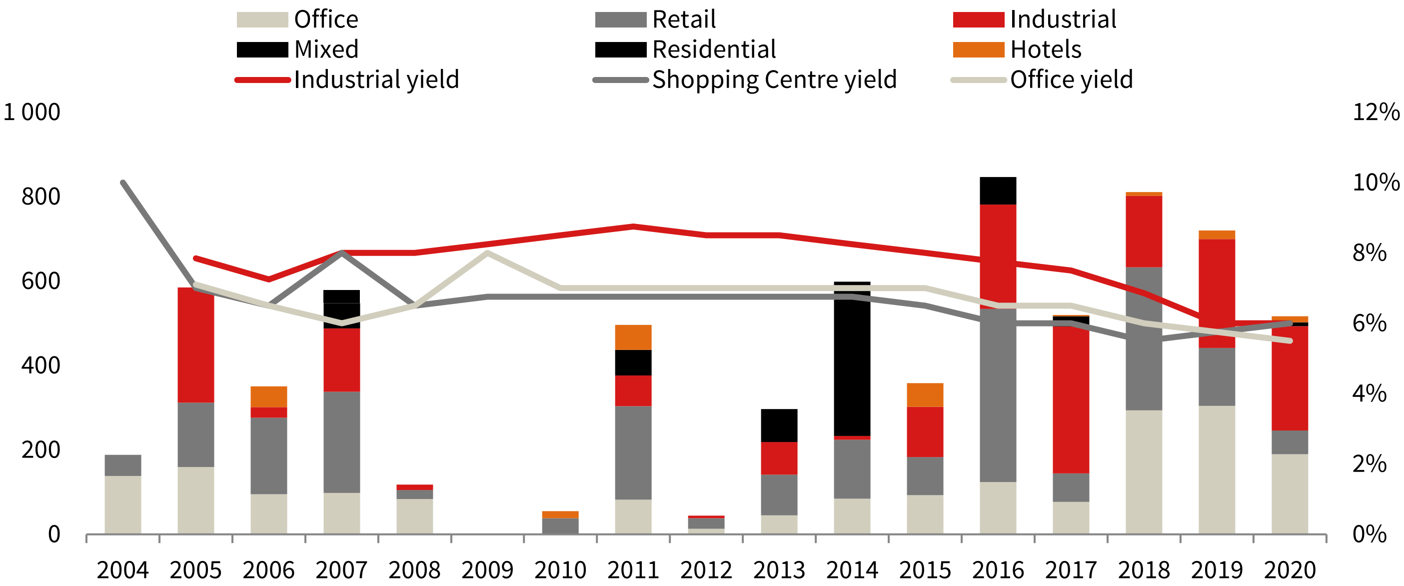
2.1.4 Investment market overview of Slovakia

Investment volumes by asset class and development of prime yields in Slovakia (in mill €)

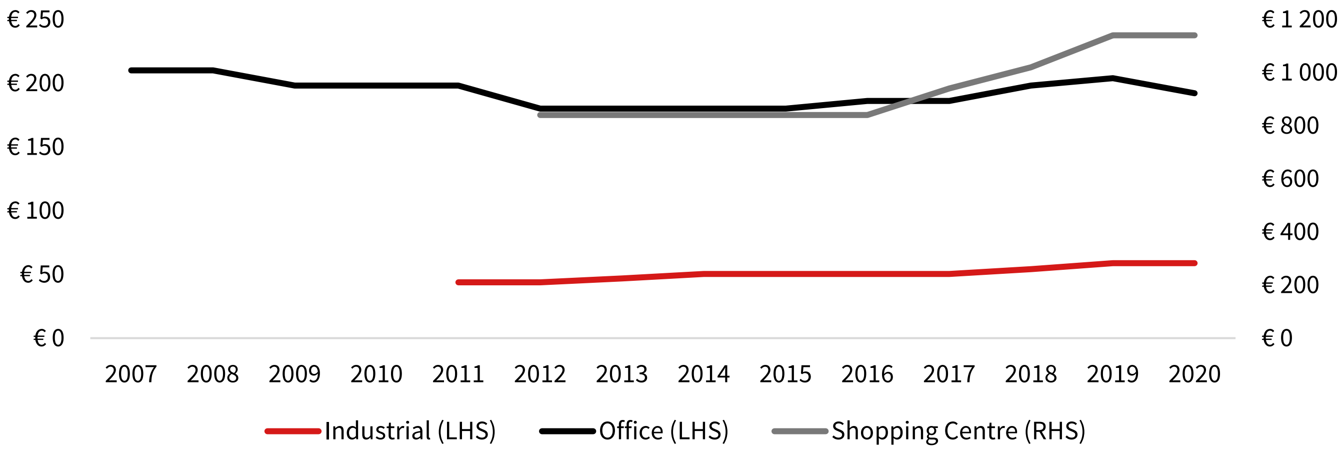


Industrial Highlights	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Volume (mill €)	0	273	26	150	13	0	0	73	6	77	9	119	247	347	169	257	248
Prime Yield (%)	n/a	7.85	7.25	8.00	8.00	8.25	8.50	8.75	8.50	8.50	8.25	8.00	7.75	7.50	6.85	6.00	6.00

Source: JLL Research, Q4 2020

As of Q4 2020 prime office yields stood at 5.50%, prime retail yields at 6.00%, while prime industrial yields at 6.00%.

Development of Prime Rents per sqm p.a. in Slovakia



Source: JLL Research, Q4 2020

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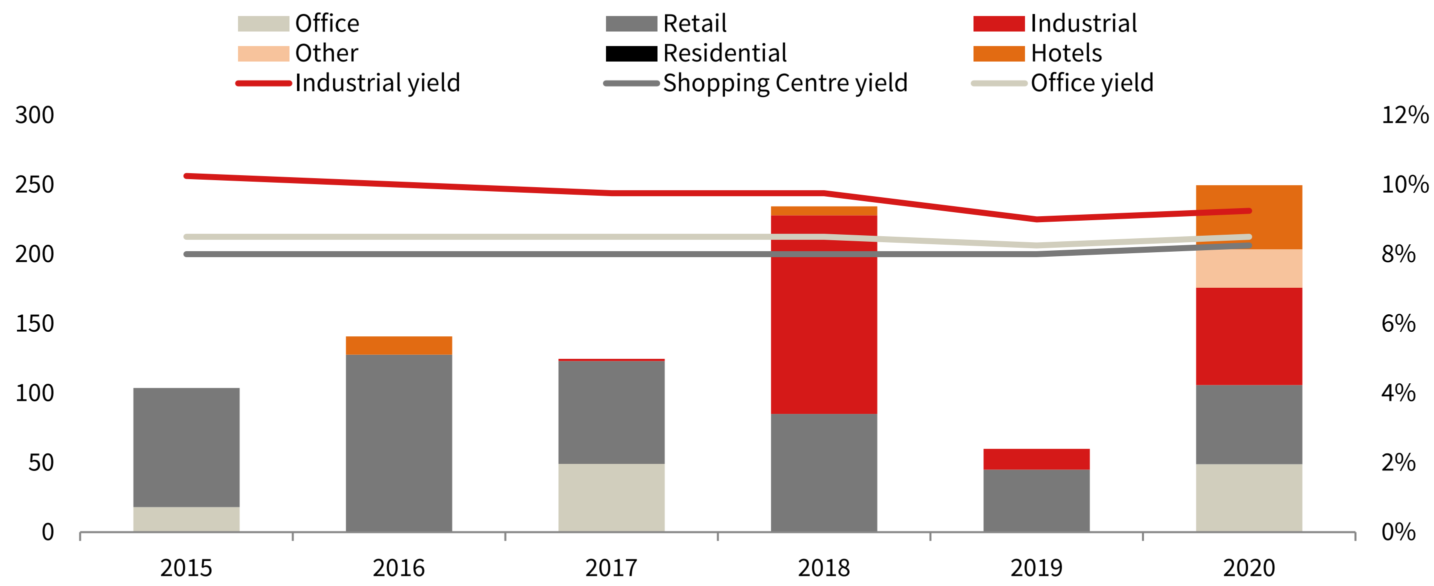
2.1.5 Investment market overview of Serbia

Investment volumes by asset class and development of prime yields in Serbia (in mill €)

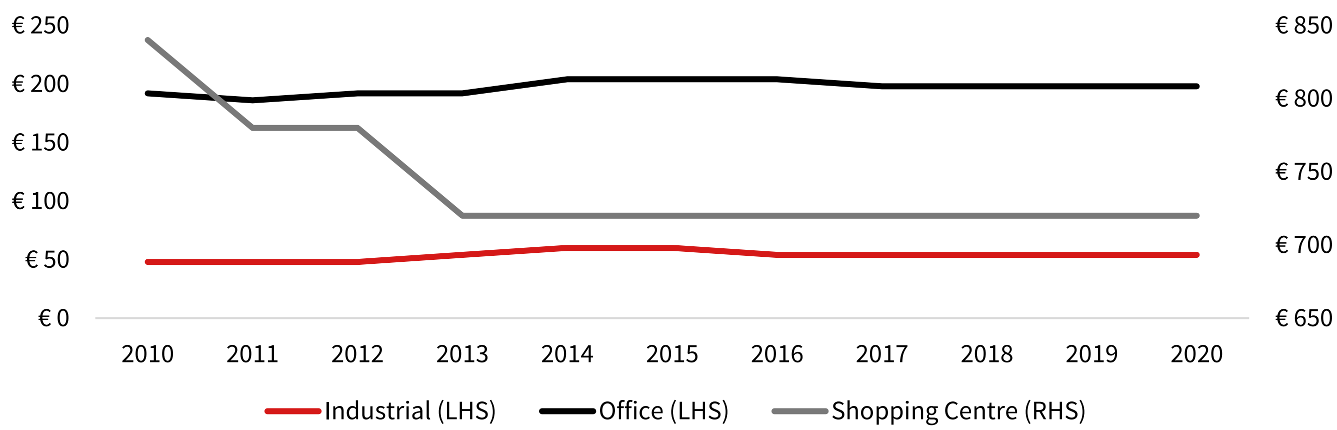


Industrial Highlights	2015	2016	2017	2018	2019	2020
Volume (mill €)	0	0	2	143	15	70
Prime Yield (%)	10.25%	10.00%	9.75%	9.75%	9.00%	9.25%

Source: JLL Research, Q4 2020

As of Q4 2020 our view on prime yields was as follows: prime offices at 8.25%, prime industrial at 9.25% and prime shopping centers at 8.5%.

Development of Prime Rents p.a. in Serbia



Source: JLL Research, Q4 2020

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3 CTP's Industrial Market Share

As of the end of September 2020, CTP owned an industrial portfolio of 4.9 million of sqm across CZ, HU, RO, SK and SRB which constituted 24.1% of the market share in these markets, confirming CTP's leading market position. In this top ranking CTP is followed by lower market shares of Prologis and P3, standing at 11.4% and 10.4% respectively.

Top 5 Logistics Owners per country based on GLA:

Czech Republic	GLA (sqm)	Market Share
CTP	**2,598,500**	**28.6%**
P3	1,324,900	14.6%
Prologis	1,279,300	14.1%
Accolade	532,500	5.9%
VGP	493,100	5.4%
Others	2,859,700	31.5%
Total Stock	**9,087,900**	**100.0%**

Hungary*	GLA (sqm)	Market Share
ProLogis	626,700	26.4%
CTP	**283,200**	**11.9%**
Waberers	203,600	8.6%
WING	194,500	8.2%
GLP	157,800	6.6%
Others	1,233,800	42.1%
Total Stock	**2,374,900**	**100.0%**

Romania	GLA (sqm)	Market Share
CTP	**1,554,300**	**30.8%**
WDP	1,085,800	21.5%
P3	380,000	7.5%
Globalworth	253,200	5.0%
Zacaria	170,500	3.4%
Others	1,608,200	31.8%
Total Stock	**5,052,000**	**100.0%**

Slovakia	GLA (sqm)	Market Share
CTP	**421,700**	**14.4%**
Prologis	415,300	14.2%
P3	391,400	13.4%
CNIC	303,000	10.3%
GLP	166,500	5.7%
Others	1,233,800	42.1%
Total Stock	**2,931,800**	**100.0%**

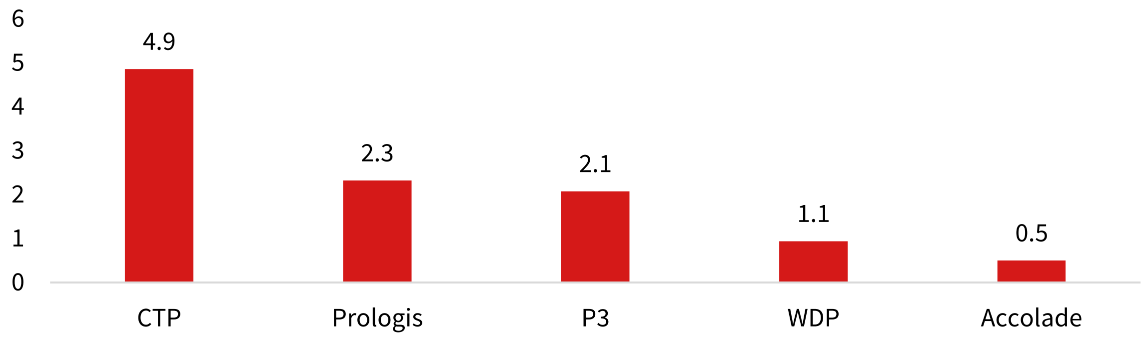
Serbia	GLA (sqm)	Market Share
CTP	**91,000**	**9.7%**
Others	844,009	90.1%
Total Stock	**940,000**	**100.0%**

Source: JLL Research, Q4 2020

Note: *The ownership of industrial stock is monitored in the Greater Budapest region only and thus does not include the whole of Hungary. Based on CTP's development activities in Hungary, CTP is a key market player, owning nearly 530,000 sqm of industrial stock across Hungary.

Project Carrera

Top 5 Logistics Owners in CZ, HU, SB, SK, RO (by GLA in mil sqm)



Source: JLL Research, Q4 2020

Based on the net take-up realised across the markets of CZ, HU, RO and SK over the last 12 months (Q1 – Q4 2020), CTP's achieved an aggregated market share of 31%. The highest share of nearly 46% was reported in Romania, followed by 37% in Hungary, 26% in the Czech Republic and 6.5% in Slovakia.

Largest 5 local logistics players per country based on net take-up* over Q1 2020 – Q4 2020

Czech Republic	Net Take-up	Market Share
CTP	**212,400 sqm**	**26.2%**
P3	110,100 sqm	13.6%
Prologis	106,200 sqm	13.1%
Accolade	92,500 sqm	11.4%
Contera / TPG	79,000 sqm	9.7%
Others	210,500 sqm	26.0%
Total	**810,600 sqm**	**100.0%**

Hungary**	Net Take-up	Market Share
CTP	**126,600 sqm**	**36.9%**
Prologis	76,000 sqm	22.1%
Mapletree	37,500 sqm	10.9%
Weerts	35,700 sqm	10.4%
WING	20,600 sqm	6.0%
Others	47,100 sqm	13.7%
Total	**343,500 sqm**	**100.0%**

Romania	Net Take-up	Market Share
CTP	**302,000 sqm**	**45.7%**
WDP	190,900 sqm	28.9%
P3	47,400 sqm	7.2%
VGP	24,900 sqm	3.8%
Globalworth	12,300 sqm	1.9%
Others	83,600 sqm	12.6%
Total	**661,100 sqm**	**100.0%**

Slovakia	Net Take-up	Market Share
VGP	77,700 sqm	24.8%
GO ASSET	51,500 sqm	16.9%
Prologis	50,500 sqm	16.9%
P3	26,600 sqm	9.5%
Karimpol	23,000 sqm	6.5%
Others	92,400 sqm	28.7%
Total	**321,800 sqm**	**100.0%**

Source: JLL Research, February 2020
Notes:
*Net take-up represents floorspace acquired within a market for occupation during the survey period. A unit is registered as taken-up when a legally binding agreement to lease the unit has been concluded. Net take-up includes new transactions, including extensions to the existing lease contracts and the pre-lettings of floorspace in the course of development or prior to the start of construction. Net take-up excludes lease renewals or renegotiations.
**The industrial take-up is monitored in the Greater Budapest region only and thus does not include data for the whole of Hungary.

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