TRITAX EUROBOX

Half year results for six months to 31 March 2021

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Tritax EuroBox plc

(the "**Company**")

RESULTS FOR THE SIX MONTHS ENDED 31 MARCH 2021

Tritax EuroBox plc (ticker: EBOX (Sterling) and BOXE (Euro)), which invests in a high-quality portfolio of very large, prime logistics real estate assets strategically located across continental Europe, is today reporting its results for the six months ended 31 March 2021.

Financial performance	**31 March 2021**	**30 September 2020**	**Increase/ (decrease)**
As at			
Portfolio value	€841.6m	€837.9m	0.45%[1]
IFRS NAV per share	€1.22	€1.19	
Loan to value ("LTV")[2] ratio	25.0%	39.9%	14.9 pts
Six months to	**31 March 2021**	**31 March 2020**	
Dividend per share	2.50 cents	2.20 cents	13.6%
Profit before tax	€41.2m	€27.8m	48.2%
Basic earnings per share ("EPS")[3]	7.32 cents	5.32 cents	37.6%
Adjusted EPS[3]	2.30 cents	2.25 cents	2.2%

Financial highlights: strong performance and growing dividend

- Dividends declared in respect of the period of 2.50 cents per share, up 13.6% (H1 2020: 2.20 cents)
- Raised gross proceeds of €230 million, through a significantly oversubscribed equity issue
- Received a Fitch BBB- investment grade credit rating in March 2021, immediately reducing our cost of debt and opening up new sources of debt financing
- Portfolio independently valued at €843.4 million at the period end (30 September 2020: €839.3 million), a like-for-like increase of 3.4%
- 100% of rent due for the period collected, with rent deferred from the 2019/20 financial year being collected as per agreed schedule
- Debt of €260.0 million at the period end, giving an LTV ratio of 25.0% (30 September 2020: €344.0 million and 39.9%)

Operational highlights: Further strategic progress

- Acquired one prime logistics asset in Nivelles, Belgium, for €31.2 million
- Extracted value from the portfolio, including:
    - Disposing of the asset at Lodz, Poland, for €65.5 million, 15% above valuation
    - Progressing the expansion opportunity at the Barcelona asset let to Mango and beginning construction on the development plot at Bornem, Belgium
    - Signed a green lease with Samsung on the vacancy at Breda, Netherlands

    - Agreed terms to lease the vacant unit at Strykow, Poland

- Ongoing successful implementation of our ESG strategy, including introducing ESG acquisition due diligence reports, implementing green leases and a range of initiatives to improve environmental performance, including progressing discussions on solar PV installations
- At the period end, the portfolio comprised:
    - 12 assets in prime locations, with a large average size of 70,146 sqm
    - A strong, well-diversified base of 21 tenant partners, 78%[4] of whom are multi-billion Euro turnover businesses
- 100% of assets are income producing[5] and 94% of rental income is subject to an element of indexation each year
- Weighted average unexpired lease term of 8.8 years at 31 March 2021 (30 September 2020: 9.1 years)

Post period end activity

- Signed an agreement to purchase two prime logistics assets in Germany for €290.9 million
    - On 1 April 2021, completed the acquisition of a 70,000 sqm global distribution centre close to Nuremberg, let for a 15 year term to a global sportswear manufacturer and retailer
    - Contracted to buy a 94,000 sqm logistics unit in Lich near Giessen to the north of Frankfurt
- The Company has issued a Green Finance Framework which will support its ongoing debt strategy https://www.tritaxeurobox.co.uk/investors/shareholder-information/key-documentation/

Robert Orr, Chairman of Tritax EuroBox plc, commented:

"This was another positive period for the Company, reflecting the growing maturity of the business, which was underpinned by the oversubscribed equity raise. We delivered a robust financial performance, supporting a growing dividend. We also continued to successfully implement all elements of our evolved strategy, which includes continued improvements to the sustainability criteria of our properties.

"The fundamentals of our market remain compelling, with the Covid-19 pandemic accelerating the growth of e-commerce, adding to already significant occupier demand for high-quality, large-scale and sustainable logistics space. The Manager has identified a substantial pipeline of attractive opportunities that support our strategic goals. We expect to make further progress in the second half, as we carefully deploy the proceeds of March's equity raise and look forward with confidence to the years ahead."

Presentation for analysts and investors

A Company presentation for analysts and investors will take place via a live webcast and audio only dial in at 10am (BST) today.

To view the live webcast, please register at:

https://www.investis-live.com/tritaxeurobox/60991cbf8b32171000371026/tras

The audio only dial in is available using the following details:

Phone number:	+44 (0) 203 936 2999
Participant access code:	734857

The presentation will also be accessible on-demand later in the day from the Company website: **https://www.tritaxeurobox.co.uk/investors/results-centre/**.

Notes

1 Valuation under IFRS (excluding rental guarantees)

2 As per KPI definition

3 See note 7 to the interim financial statements for reconciliation

4 By rental income

5 Including licence fee income and rental guarantees

FOR FURTHER INFORMATION, PLEASE CONTACT:

Tritax EuroBox plc
+44 (0) 20 8051 5070
Nick Preston
Mehdi Bourassi
Jo Blackshaw (Investor Relations)

Maitland/AMO (Media enquiries)

James Benjamin
+44 (0) 7747 113 930
tritax-maitland@maitland.co.uk

The Company's LEI is: 213800HK59N7H979QU33.

Notes:

Tritax EuroBox plc invests in and manages a well-diversified portfolio of well-located Continental European logistics real estate assets that are expected to deliver an attractive capital return and secure income to shareholders. These assets fulfil key roles in the logistics and distribution supply-chain focused on the most established logistics markets and on the major population centres across core Continental European countries.

Occupier demand for Continental European logistics assets is in the midst of a major long-term structural change principally driven by the growth of e-commerce. This is evidenced by technological advancements, increased automation and supply-chain optimisation.

The Company's Manager, Tritax Management LLP, has assembled a full-service European logistics asset management capability including specialist "on the ground" asset and property managers with strong market standings in the Continental European logistics sector.

Further information on Tritax EuroBox plc is available at www.tritaxeurobox.co.uk

CHAIRMAN'S STATEMENT

This has been a challenging period for society as a whole with the full effect of the Covid 19 pandemic, including its impact on European economies, yet to play out. However, the pandemic has reinforced and accelerated the unprecedented change in consumer behaviour with a notable increase in online retail transactions, which has resulted in companies improving and modernising their supply chains to adapt to the change in customer activity. The market is therefore providing strong tailwinds for us, as occupier demand for assets like ours continues to grow, while supply remains heavily constrained in the best logistics locations.

At the same time, we have continued to benefit from the strength and resilience of our carefully designed business model. We have constructed a portfolio of large, high-quality assets in key logistics locations, let to well-financed tenants. These characteristics underpin our rental income, with 100% of the rent due for the period having been collected, and this in turn supports an attractive and progressive dividend. As the business continues to mature, we are well placed to deliver further value for shareholders.

Strategy for value creation

In my last report to you, I explained how we had continued to refine our investment focus, in order to maximise the value we create. While our overall investment policy and acquisition criteria are unchanged, and we will continue to acquire fully let standing assets when attractive opportunities arise, we are increasingly looking to buy assets with value creation potential. The pipeline we announced at the time of our equity raise in February 2021 (see below) supports this approach, with four of the six assets in the near-term pipeline displaying value-add characteristics.

Financial performance, dividends and Total Return

As described in the Financial Review, the Company has continued to deliver a strong financial performance, supporting a growing dividend. Having declared a dividend of 1.10 cents per share each quarter during the previous financial year, we increased the dividend to 1.25 cents per share from the quarter ended 31 December 2020, resulting in a total dividend for the period of 2.50 cents per share.

The dividend continues to be a substantial driver of our Total Return, supplemented by active asset management and capital growth. The Total Return for the period is 2.3%, reflecting an exceptional and short term dilution related to the Capital Raise during the period, a growing dividend and a 3.4% like for like valuation increase. In this financial year, the Company expects to achieve its annual Total Return target of 9%.

Financing

This has been an important period as we have successfully raised the capital we need for the next stage of our growth. Our success here reflects both the attractions of our sector to investors and the growing maturity of our business.

In December 2020, we reached full deployment with the acquisition of an asset in Nivelles, Belgium. With a strong near-term pipeline of acquisition and internal development opportunities, on 19 February 2021 we announced our intention to raise €200 million through an equity issue. Such was the strength of investor demand that we increased the issue size to €230 million on 5 March 2021. Since the end of the period, we have deployed €290.9 million, adding two excellent assets and strong new tenants to the portfolio. We are currently working on a number of further investment opportunities which are close to signing. We expect to complete deployment of these funds within the coming months.

We were delighted by demand for the equity raise from both current and new institutional shareholders. This has further broadened and strengthened our share register. On 12 March 2021, we reached a key milestone in the Company's development, with the announcement that Fitch had awarded us an investment grade credit rating. This opens up new sources of debt financing for us, while immediately reducing the cost of our existing facilities.

Sustainability

Sustainability has been central to our approach since the Company was founded. Recognising that both tenants and shareholders are increasingly focused on ensuring that ESG considerations are at the core of their respective businesses, we continue to grow our portfolio with modern assets benefitting from excellent energy efficiency and environmental credentials and we continue to enhance performance by implementing our sustainability strategy through the day to day management of the portfolio. The Manager's Report sets out examples of this strategy in action during the period.

The Manager

The Company has identified a potential area of non-compliance in regards to its treatment of a related party under the Listing Rules in connection with certain of its acquisitions from Dietz AG. The Company has voluntarily sought feedback from the FCA and expects to receive guidance shortly.

Outlook

The outlook for the Company is positive. In the second half of the year, deploying the proceeds of the equity raise and associated debt will drive our revenue and earnings, while we expect to make further progress with asset management. We expect ongoing yield compression and rental growth to support total returns over the next six months.

Looking further ahead, we see a multi-year opportunity for the Company. The drivers of our market are stronger than ever and the Manager continues to identify attractive opportunities to add to our pipeline, sourced through its established relationships and the pipelines of our specialist asset managers. We therefore look forward to the future with confidence.

MANAGER'S REPORT

Strong market fundamentals are being reinforced

The Company operates in a highly attractive market, characterised by strong and growing occupier demand and highly constrained supply of suitable logistics assets in the right locations.

The logistics real estate sector is benefiting from several powerful structural trends, we have identified three in particular which are expected to sustain occupier demand over the long-term:

- the ongoing and rapid growth of e-commerce, requiring companies to have large and often highly automated logistics facilities, close to major population centres and strong transport links;
- the need to reduce costs, by optimising supply chains and consolidating into fewer, larger and more efficient buildings;
- the desire to have sustainable properties, with lower environmental impacts and workspace that promotes employee wellbeing, and that will remain fit for purpose for years to come.

The economic shock triggered by the pandemic has accelerated and intensified these trends that were already underway. The impact of the pandemic, and also external events such as the recent stranding of the Ever Given container ship in the Suez Canal, has shown occupiers the vulnerability of their supply chains, prompting companies to reconfigure supply chains by having more localised manufacturing and holding higher levels of stock close to the end user. The combination of these effects is leading to consistently strong occupier demand for modern logistics buildings in key locations across Europe.

At the same time there are ever scarcer numbers of suitable vacant buildings, and little land on which to build new ones. There are even fewer sites available that can accommodate very largest logistics facilities, and municipalities are often reluctant to zone land for the construction of these largest assets. As a consequence, companies looking for large new logistics facilities have few choices.

We will now explain why we believe that these market fundamentals means the imbalance between demand and supply is likely to persist for years to come, presenting a long-term opportunity for the Company.

Occupier demand continues to outpace new construction

Occupier demand has been consistently strong for many years, driven by the structural demand drivers as mentioned above, with take-up across Europe averaging 21 million sqm per annum since 2016. Net absorption (which is the change in occupied space during the period), has also been growing across Europe since 2010. The disruption caused by the pandemic did very little to slow down demand as net absorption reached 15.4 million sqm in 2020, making it the second highest level since 2010 (Source: CBRE).

Supply remains constrained

Completion of new logistics real estate assets in 2020 did not maintain pace with the increase in demand despite being up slightly from 2019. While development pipelines remain healthy, we do not expect them to be able to keep up with the demand. CBRE are tracking only circa 13 million sqm of logistics space under construction (representing 6% of total stock) as of Q1 2021.[1] With over 65% of this pre-leased, and most of this due to deliver in 2021, we expect to continue to see high levels of net absorption as demand continues to grow. This will add further pressure on an already constrained logistics supply market.

Concerns around environmental impact, strict zoning regulation, and resistance to development near residential areas are contributors to the moderate levels of development of logistics facilities in continental Europe. These issues tend to be more prominent in areas with denser populations, which is typically where the Company invests. These factors mean that occupiers looking for major new logistics facilities have few choices as the logistics vacancy rates for continental Europe are at, or near lows since 2010. Current vacant space

in the eight main European logistics markets[1] is around 45% of the average 5-year annual take-up.

[1] European markets include Belgium, Czech Republic, France, Germany, Italy, Netherlands, Poland and Spain.

Imbalance of supply and demand dynamics provide attractive prospects for rental growth

Since 2017 there has been a shift in the dynamics of growth in prime European logistics rents as the full impact of the supply/demand dynamics began to be felt. Key submarkets such as Belgium, Dusseldorf (Germany), and West Brabant (Netherlands) saw the strongest annual growth in 2020, with prime rents in those submarkets up 5.0% on 2019. Other submarkets like Rome, Munich and Warsaw saw prime rents increase between 1.5-3.0%.

European logistics real estate regions move at varying speeds due to the difference in the structure of individual economies. The Manager's focus on key asset selection criteria following our investment policy positions the Company well for future rental growth, with 12 out of the Group's 13 assets[2] located in submarkets where vacancy rates are below 5% according to Q1 2021 CBRE data.

[2] The Group's assets include the acquisition close to Nuremberg in Germany on 1 April 2021.

Investment demand exceeded expectations and remains robust

The dynamics of the occupational market also make the logistics subsector highly appealing to investors, who are attracted by the robust income streams and the potential for income and capital growth. This is in contrast to the office and retail sectors, where Covid-19 has put material pressure on rent collection levels, long term expectations for rental values and hence capital values. The investment market for logistics real estate assets is therefore becoming increasingly competitive as continental European investment volumes reached a new record of €23.6bn in 2020, up 7% year-over-year with new capital entering the market and yields compressing c. 25bp to 4.4% during the period. This investment demand shows no sign of abating.

A strategy for value creation

The Company's strategy is designed to create value at the point of asset acquisition and throughout the life cycle of the asset, through:

- careful asset selection, following our four-pillar investment philosophy;
- proactive asset management, to extract value from the existing portfolio;
- a robust focus on sustainability; and
- appropriate financing.

We will continue to construct a portfolio which is diversified by geography and tenant and that generates a high and secure level of inflation-linked income, as well as capital growth, which will in turn support the Total Returns and dividends we are targeting.

As noted in the Chairman's statement, we have continued to refine the Company's investment focus to take advantage of the unprecedented market conditions, allowing us to maximise value creation for shareholders. This includes increasing the Company's focus on Value Add assets, either by acquiring assets at an earlier stage in their development cycle, buying assets with vacancy, where we can control the leasing, or developing unutilised land purchased with an asset. The Company has access to an attractive pipeline through its development and asset management partners, which supports this strategy. The pipeline enables us to acquire new, high-quality, sustainable logistics assets more cost-effectively than competing on the open market, enhancing returns for shareholders.

The strategy is supported by a progressive and active capital management programme. This may include recycling capital through asset disposals, partnering with other investors, continued debt management and raising new equity, where supported by a clear rationale.

The Company made good progress with all elements of its strategy during the period, as set out below.

Further strengthening the portfolio

In December 2020, the Company acquired a newly built 34,125 sqm logistics facility in Nivelles, Belgium. The purchase price was €31.2 million, reflecting a net initial yield of 4.8%. The asset comprises two units, one of which is let to Medi-Market Group SA, a Belgian omni-channel pharmacy retailer on a new nine-year lease. The rent is subject to annual indexation. The second, smaller unit was vacant on acquisition and has a 12-month rental guarantee. We are seeing good occupier interest in this unit.

On 15 February 2021, the Company announced that it had agreed the sale of its asset leased to Castorama in Lodz, Poland. This was one of our earlier asset purchases for the Company and having completed the forward funding pre-let development opportunity at the site in 2019, there were no imminent asset management opportunities remaining. The sale price of €65.5 million was 15% above the most recent valuation and delivered an attractive geared internal rate of return of 16.5% to shareholders. We will continue to actively review the portfolio for further opportunities to add value in this way.

As a result of these transactions, at the period end the portfolio comprised 12 assets, which were well diversified by building size and tenant, and situated in the core European countries of Belgium, Germany, Italy, the Netherlands, Poland and Spain. These assets are key to our tenant partners' logistics and distribution supply chain needs, and demonstrate the following key characteristics:

- modern, with 85% of the portfolio having been built in the last five years, helping to ensure that the buildings meet the latest operational and sustainability needs of occupiers;
- large, with nearly 75% of the portfolio by area being in excess of 50,000 sqm and an average size of 70,146 sqm;
- sustainable, with 90% of the portfolio by floor area covered by Green Building Certifications or Energy Performance Certificates;
- income generating, the portfolio has been constructed to deliver secure and growing income, with around 78% of the Company's 21 tenant partners being multi-billion Euro businesses, including some of the world's best-known companies; and
- secured on long leases, resulting in a weighted average unexpired lease term at the period end of 8.8 years, well ahead of the Company's target minimum of five years. The unexpired lease terms at the period end ranged up to 15.7 years.

The portfolio also delivers inherent rental growth, with some 94% of the Company's rent including an element of indexation. Rental uplifts are either fixed or indexed to local inflation, usually annually, thus offering the regular compounding of income that supports the Company's dividend growth policy. We also look for opportunities to capture market rental growth, which we expect to exceed indexation, through asset management initiatives.

Asset management: capturing embedded value

We work proactively with the Company's tenant partners to secure initiatives that drive rental income and capital values, supporting the Company's delivery of secure long-term income and an attractive Total Return.

Leasing activity

In December 2020, we agreed a new green lease at the Company's property in Breda, Netherlands, letting the two vacant units to a new high-quality tenant, Samsung SDS. The letting was secured before the expiry of the 12-month rental guarantee on the vacant units. The lease has been agreed for a three-year term from 15 December 2020 at an initial annual headline rent 6% above the level of the rental guarantee. The new rent will be subject to annual uplifts reflecting 100% of the Dutch Consumer Price Index. The lease agreement contains green clauses to ensure the tenant's commitment to using the building in a sustainable way, including sharing data with us on energy and water consumption, waste management and recycling.

In March 2021, the Company signed a new short-term lease at the vacant unit in Strykow, Poland, with the lease commencing in May 2021 for a ten-month period. This forms part of the wider strategy on this building to extend the occupancy on the vacant land. This secures cashflow over the next twelve months while longer term occupancy options are considered in conjunction with the adjacent development land.

Expansion opportunities

In November 2019, the Company agreed an option to fund an 88,000 sqm extension to its global distribution centre in Barcelona, let to Mango. We expect to secure the necessary building permits before the end of May 2021, enabling us to proceed with construction immediately thereafter. Practical completion is targeted for Q4 2022.

Development opportunities

The asset at Bornem, Belgium, included a plot of zoned land with the potential to develop circa 15,000 sqm of warehouse space. Construction work began in January 2021 and is expected to complete in summer 2021. We are overseeing the development of the site in conjunction with our development partner LCP. We are actively marketing the property to find a suitable tenant, and to date have received a good level of interest.

Implementing our sustainability strategy

The Company's portfolio is highly sustainable. 90% of the portfolio is certified either with high Green Building Certification or energy performance rating.

The Company's sustainability strategy underpins the Company's overall investment approach. It focuses on owning healthy and sustainable buildings, targeting net zero carbon emissions for direct operations, improving the portfolio's energy efficiency, enhancing nature and wellbeing, and creating socio-economic value. We continue to make progress with this strategy throughout the period.

Sustainable acquisitions

In line with the sustainability strategy, the acquisitions of Nivelles, in January 2021, and Nuremberg (post period end) meet high sustainability standards:

- Nivelles features roof mounted solar panels, low energy LED lighting, energy efficient heating and rainwater harvesting. We are seeking BREEAM in-use certification with a target of Very Good.
- Nuremberg is one of the most sustainable logistics buildings in Germany. Certified to LEED Gold, it has been developed to be carbon neutral, with a wealth of ESG criteria embedded in the construction including an expansive green roof, a bee meadow, tree planting, rainwater harvesting and intelligent lighting systems. We will be working closely with the tenant to ensure that ongoing operations meet all the sustainability ambitions of both the Company and the tenant.

Sustainable development

All the Company's new developments will obtain Green Building Certifications and have strong sustainability credentials:

- The asset at Lich has been developed to DGNB Gold standard and features state of the art energy efficiency such as LED lighting systems and the building envelope has been constructed to ensure high insulation standards, reducing energy usage for the tenant, Wayfair.
- The development features a range of health and wellbeing amenities, including staff break out space, a community room, and canteen in the office unit.
- The extension for Mango in Barcelona aims to achieve a BREEAM Very Good and will feature 1.8MW of solar PV.

Green leases

The Company continues to implement green lease clauses in new leases, including the lease at Breda with Samsung described above. We are in discussions with existing tenants to introduce green lease clauses into three existing leases in the second half of the year, hence transitioning these to be "Green Leases". It remains our ultimate ambition to have all assets let on green leases in due course.

Sustainable asset management

The Company is advancing its objective to ensure all assets have Green Building Certification:

- We are in the process of securing BREEAM in-use certification at Rumst, Belgium. The new development of Unit C at Bornem is seeking to achieve a BREEAM in-use on completion. Our target is a rating of Very Good.
- Installing onsite solar PV energy generation is an important part of our ESG strategy and we are currently in discussions with two tenants about potential projects that would generate 2.2 MW of electricity a year.
- At the Company's asset at Wunstorf, Germany, we are installing electric vehicle charging points for both lorries and cars, as well as beehives, which support the local habitat through plant pollination.
- The Company's Community Investment Fund supports tenants' investment in local communities. We are already supporting projects around Rumst in Belgium and are awaiting a proposal from a further tenant.

The Company has recently published its Green Finance Framework which details the Eligible Green Projects within the portfolio that could be funded by green finance, as well as the governance and management of the use of any green finance proceeds. This Framework provides a backdrop which will assist the Company's future debt strategy with a particular focus on green financing initiatives.

FINANCIAL REVIEW

Portfolio valuation

The portfolio was independently valued by JLL as at 31 March 2021, in accordance with the RICS Valuation - Global Standards. The portfolio's total value at the period end was €843.4 million (30 September 2020: €839.3 million). This reflected a like-for-like valuation increase of 3.4% during the period, driven primarily by yield compression. We expect this yield compression to continue through 2021, as relevant transactional evidence is recorded. There has been a relative scarcity of relevant evidence, despite the amount of investment focussing on the sector. However, we are aware of a number of transactions which, on closing, will provide supportive evidence of further yield compression. The other impacts on value such as ongoing indexation within leases and the benefits of asset management initiatives are also expected to contribute in the second half of our financial year.

Financial results

Rental income

Rental income for the period was €19.4 million (2020: €17.4 million). The annualised base increase is mainly driven by the closing of the acquisition of the Nivelles asset in Belgium, in January 2021, and by some indexation events.

In the financial year ended 30 September 2020, the Group deferred €1.6m of rent from a single tenant. Under IFRS, rental income from each lease is smoothed over the term of the lease and hence there was no impact on reported IFRS revenue in the period to 31 March 2021.

In the period ended 31 March 2021, the Group received €0.5 million corresponding to the first three instalments as planned, leading to an increased Group's Adjusted Earnings by the same amount of €0.5 million. Post period end, the Group received the April's and May's instalments as agreed.

Costs

The Company's operating and administrative costs were €5.4 million (2020: €5.0 million), which primarily comprised:

- the Management Fee payable to the Manager of €2.3 million (2020: €2.1 million);
- a fee for running an SGR structure in Italy, which ensures the Italian property holding company is exempt from corporation and income tax;

- the Company's running costs, including accounting, tax and audit;
- the Directors' fees; and
- non-recoverable VAT of €0.1 million (2020: €0.2 million). The Company stopped incurring non-recoverable VAT from 1 January 2021, as a result of the UK's exit from the European Union.

The EPRA cost ratio (inclusive of vacancy cost) was 31.3% (2020: 30.2%). We expect the EPRA cost ratio to decrease over time, as the portfolio continues to grow and the Company benefits from economies of scale.

Interest expense and commitment fees

The total cost of debt for the period was €4.0 million (2020: €3.5 million), with interest cover of 4.64 times (2020: 4.95 times). The weighted average cost of debt in the period was 2.3% (2020: 2.3%). On 12 March 2021, the Company announced that it had received an investment grade credit rating of BBB- from Fitch Ratings Limited. This resulted in a reduction of approximately 30 basis points in the cost of the existing Revolving Credit Facility. The full effect of that reduction in interest cost will be seen in the future periods.

Gain on revaluation

The fair value gain on the revaluation of the Company's investment properties was €26.4 million (2020: €19.4 million). The drivers of the valuation increase are discussed in the Portfolio valuation section above.

Profit on disposal

On 15 February 2021, the Company announced that it had agreed the sale of its asset in Lodz, Poland, for €65.5 million. This represented a premium of 15% above its book value at 30 September 2020 and resulted in a net profit on disposal (post fees and post capital gain taxes) of €4.3 million in the period (2020: €0.8 million).

Profit before tax

Profit before tax for the period was €41.2 million (2019: €27.8 million).

Taxation

The current income taxation charge for the period was 18.3% of the Company's net property income (2020: 0.8%). A significant part of that (88.6%) relates to the disposal of our asset in Lodz, with the realised capital gain taxes being accounted for during the period.

The taxation charge is primarily incurred in the local jurisdictions in which the Company invests. As an HMRC-approved investment trust, the Company is exempt from UK corporation tax on its chargeable gains. The Company is also exempt from UK corporation tax on dividend income received, whether from UK or non-UK companies, provided the dividends fall within one of the exempt classes under the Corporation Tax Act 2009.

The corporation tax rate in future periods will depend primarily on the jurisdictions where the Company acquires assets, given the differing tax rates across continental Europe. The Company does not use any structures designed to artificially reduce its tax liabilities and looks to pay the appropriate level of tax where it is due.

Earnings

As discussed under Equity Financing below, the Company's share issue in March 2021 increased its issued share capital by 48.5%. Given the short time until the period end, none of this capital had been effectively deployed at 31 March 2021 which meant exceptional short term EPS dilution. However, as the funds from the raise are deployed, we expect the EPS to increase to accretion.

Basic EPS for the period was 7.32 cents (2020: 5.32 cents). EPRA EPS, which primarily excludes the valuation movement, was 1.59 cents (2020: 1.76 cents).

Given the Company's income focus, the Board has adopted Adjusted EPS as a key performance indicator. This adjusts the income shown in the Company Statement of Comprehensive Income to reflect the underlying cash movements and/or earnings that do not go through the IFRS Comprehensive Income, including rental guarantees or licence fees and the €0.5 million in rent received that was deferred from the previous financial year, as noted above.

Adjusted Earnings for the period were €10.3 million (2020: €9.5 million), resulting in Adjusted EPS of 2.30 cents (2020: 2.25 cents). More information about the calculation of basic, EPRA and adjusted EPS can be found in note 7 to the Interim financial statements.

Dividends

Since the start of the period, the Company has declared the following dividends:

- 1.10 cent per share on 3 December 2020, in respect of the period from 1 July to 30 September 2020 (paid 8 January 2021);
- 1.25 cents per share on 10 February 2021, in respect of the period from 1 October 2020 to 31 December 2020 (paid 12 March 2021); and
- 1.25 cents per share on 18 May 2021, in respect of the period from 1 January 2021 to 31 March 2021. This dividend will be paid on or around 18 June 2021 to shareholders on the register at 28 May 2021.

The total dividend for the period was €12.98 million (2020: €9.3 million), or 2.50 cents per share, and was 79.1% covered by Adjusted Earnings (2020: 102.1%), reflecting the short-term dilution from the equity issue noted above.

Cash flow

The Company benefits from stable, growing and long-term cash flows. Cash from operations in the period was a net inflow of €17.9 million (2020: net inflow of €16.9 million).

Net assets

The IFRS NAV per share at the period end was €1.22 (30 September 2020: €1.19). Information on EPRA's net asset valuation metrics can be found in the EPRA Performance Measures section.

Equity financing

On 19 February 2021, the Company announced its intention to raise gross proceeds of approximately £173 million or €200 million, through a placing, open offer, offer for subscription and intermediaries offer. Investor demand for the issues resulted in it being significantly oversubscribed. The Company therefore announced on 5 March 2021 that it had increased the size of the issue to approximately £198.4 million (€230 million). This resulted in the issue of 192,633,688 new ordinary shares in the Company at a price of 103 pence (€1.19) each. The new shares were admitted to trading on 10 March 2021.

Debt financing

The Company has a €425 million Revolving Credit Facility (RCF) provided by a group of five lenders - HSBC, BNP Paribas, Bank of America Merrill Lynch, Bank of China and Banco de Sabadell. In October 2020, three of the five lenders agreed to a one-year extension of the facility. As a result, €100 million of debt matures in 2023 and €100 million in 2024, with the remaining €225 million now maturing in 2025. The facility is unsecured, providing operational flexibility for the Company.

At the period end, the Company had drawn €260.0 million against the RCF (30 September 2020: €344.0 million), with the reduction reflecting the proceeds of the equity issue and the disposal of the asset in Lodz, Poland. This resulted in an LTV ratio of 25.0% (30 September 2020: 39.9%). This compares with the medium-term target of 45% and the maximum permitted by the Company's investment policy of 50%. As the Company invests in the pipeline outlined earlier, the LTV ratio is expected to increase back towards the target level.

The Company's hedging strategy includes using interest rate caps to benefit from current low interest rates, while minimising the effect of a significant rise in underlying interest rates. The Company therefore holds three interest rate caps which hedge €300 million of its borrowing, resulting in 87% of drawn debt being subject to an interest cap, with a total weighted average interest cap of 0.67%.

Regulatory matters

On 1 April 2021, Aberdeen Standard Investments (ASI) acquired a 60% stake in the Manager. The Board believes this is positive for the Group and that there will be no impact on the Manager's ability to continue to deliver our strategy successfully. The dedicated team responsible for the Group's day-to-day operations under the Investment Management Agreement remains unchanged. In the longer term, we expect that ASI's stake will strengthen the Manager, by giving it access to the resources of a global financial institution, while preserving the Manager's unique and market-leading logistics real estate expertise for our shareholders.

Post period end activity

On 31 March 2021, the Company announced that it signed the agreement to purchase of two highly sustainable logistics assets in Germany for €290.9 million. On 1 April 2021, the Company completed the acquisition of a Foundation asset, which is a highly specified logistics building of circa 70,000 sqm close to Nuremberg in Bavaria. The strategically located asset is the European distribution headquarters of a leading German based global sportswear manufacturer and retailer. The property is CO_2 neutral, built to LEED Gold standard, benefits from certified green energy procurement, has a roof mounted photovoltaic system generating up to 1.5 megawatts of electricity and has a 22,500 sqm green roof.

The property is leased for a further 14 years benefitting from indexation to 100% of the German CPI index following a four-year indexation holiday from the start of the lease. The 20-hectare site comes with extension potential for an additional 42,000 sqm of floorspace. This property has been developed by Dietz AG, a leading European logistics developer, and one of the Company's retained development partners. Dietz AG will remain as a minority shareholder in this asset.

Related party transactions

Transactions with related parties in the period included the Management Fee paid to the Manager, and the Directors' fees. More information can be found in note 17 to the Interim financial statements.

Alternative Investment Fund Manager (AIFM)

The Company is an Alternative Investment Fund within the meaning of the AIFMD and has appointed the Manager as its AIFM. The Manager is authorised and regulated by the Financial Conduct Authority as a full scope AIFM.

KEY PERFORMANCE INDICATORS

Set out below are the key performance indicators we use to track our strategic progress.

KPI and definition	Comments	Performance
1. Dividend Dividends paid to shareholders and declared in relation to the period.	The dividend reflects our ability to deliver a growing income stream from our portfolio and is a key element of our Total Return. Our policy is to pay an attractive and progressive dividend, with the intent to pay out 90-100% of our Adjusted Earnings each year, with a minimum payout of 85% of Adjusted Earnings.	**2.50 cents/share** **for the six months ended 31 March 2021** (31 March 2020: 2.20 cents/share and 30 September 2020: 4.40 cents/share)
2. Total Return (TR) TR measures the change in the EPRA Net Reinstatement Value (EPRA NRV) over the period plus dividends paid.	TR measures the ultimate outcome of our strategy, which is to create value for our shareholders through our portfolio and to deliver a secure and growing income stream. The Company's medium-term TR target set at IPO is 9% per annum by reference to the IPO issue price.	**2.3%** **for the six months ended 31 March 2021** (31 March 2020: 5.8%[1] and 30 September 2020: 11.3%[1])
3. Basic Net Asset Value Net asset value in IFRS GAAP	Basic Net Asset Value measures the net value of the Company under IFRS.	**€751.67m** **€1.22/share** **as at 31 March 2021** (€490.88m/€1.16/share as at 31 March 2020 and €503.91m/ €1.19/share as at 30 September 2020)
4. Adjusted earnings Post-tax adjusted EPS attributable to shareholders, adjusted for other earnings not supported by cash flows. See note 7 to the Interim financial statements.	Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.	**€10.25m** **2.30 cents/share** **for the six months ended 31 March 2021** (31 March 2020: €9.49m/2.25 cents/share and 30 September 2020: €17.56m/4.16 cents/share)
5. Loan to value ratio (LTV) The proportion of our gross asset value (including cash) that is funded by borrowings	The LTV measures the prudence of our financing strategy, balancing the additional returns and portfolio diversification that come with using debt against the need to successfully manage risk. The Company will maintain a conservative level of aggregate borrowings, with a medium-term target of 45% of gross asset value and a maximum limit of 50% (in each case, calculated at the time of borrowing).	**25.0%** **at 31 March 2021** (31 March 2020: 41.8% and 30 September 2020: 39.9%)
6. Weighted average unexpired lease term (WAULT) The average unexpired lease term of the property portfolio weighted by annual passing rents.	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream. The Company seeks to maintain a WAULT of greater than five years across the portfolio, in accordance with typical lease lengths prevalent in Continental Europe.	**8.8 years** **at 31 March 2021** (31 March 2020: 9.7 years and 30 September 2020: 9.1 years)
7. Dividend cover	The dividend cover helps to	**79.1%**

Dividends paid and proposed to shareholders in relation to the financial period.	indicate how sustainable a dividend is. It measures the proportion of dividends which is supported by adjusted earnings.	**for the six months to 31 March 2021** (31 March 2020: 102.1% and 30 September 2020: 94.4%)
8. Interest cover The ratio of net property income to the interest incurred in the period.	Interest cover is a measure of a company's ability to meet its interest payments.	**4.64 times** **for the six months to 31 March 2021** (31 March 2020: 4.95 times and 30 September 2020: 4.63 times)
9. Like-for-like rental growth Like-for-like rental growth compares the growth of the rental income of the portfolio that has been consistently in operation and not under development during the two full preceding periods.	This measures the Company's ability to grow its rental income over time. Rental growth will not be linear during the hold period, with different mechanisms in each lease agreement. The 0.7% this period reflects the lower inflation background.	**0.68%/€0.24m** **for the six months to 31 March 2021** (31 March 2020[2]: 1.7%/€0.42m and 30 September 2020: 0.5%/ €0.18m)

[1] Total Return for comparative period 31 March 2020 has been prepared using the new EPRA NAV metrics issued in October 2019.

[2]This is comparing the annualised passing rent at the Balance Sheet date against the annualised passing rent at the previous interim date December 2018.

EPRA PERFORMANCE MEASURES

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses. For a full reconciliation of the new EPRA NAV measures, please see the Notes to the EPRA and Other Key Performance Indicators.

Performance measures and definition	Comments	Performance
1. EPRA Net Reinstatement Value (EPRA NRV) Basic NAV adjusted for mark-to-market valuation of derivatives, deferred tax and transaction costs (real estate transfer tax and purchaser's costs).	A key measure to highlight the value of net assets on a long-term basis. The metric reflects what would be needed to recreate the current portfolio of the company.	**€805.40m/€1.31/share as at 31 March 2021** (31 March 2020[1]: €531.95m/€1.26/share and 30 September 2020: €550.50m/€1.30/share)
2. EPRA Net Tangible Assets (EPRA NTA) Basic NAV adjusted to remove the fair values of financial instruments and deferred taxes. This excludes transaction costs.	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	**€769.28m/€1.25/share as at 31 March 2021** (31 March 2020[1]: €500.50m/€1.18/share and 30 September 2020: €516.31m/€1.22/share)
3. EPRA Net Disposal Value (EPRA NDV) Equivalent to IFRS NAV, as this includes the fair values of financial instruments and deferred taxes.	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	**€751.67m/€1.22/share as at 31 March 2021** (31 March 2020[1]: €490.88m/€1.16/share and 30 September 2020: €503.91m/€1.19/share)
4. EPRA Earnings Earnings from operational activities.	A key measure of the Company's underlying results and an indication of the extent to which current dividend payments are supported by earnings.	**€7.09m** **1.59 cents/share** **for the six months to 31 March 2021** (31 March 2020: €7.45m/1.76 cents/share and 30 September 2020: €13.80m/3.26 cents)
5. EPRA Net Initial Yield (NIY) Annualised rental income based on the	This measure should make it easier for investors to judge for	**4.4%** **as at 31 March 2021**

cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.	themselves howthe valuations of portfolios compare.	(31 March 2020: 4.1% and 30 September 2020: 4.4%)
6. EPRA 'Topped-up' NIY This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).	This measure should make it easier for investors to judge for themselves howthe valuations of portfolios compare.	**4.4%** **as at 31 March 2021** (31 March 2020: 4.7% and 30 September 2020: 4.6%)
7. EPRA Vacancy Rate Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	The vacancy relates to part of the new acquisition in Nivelle and in Strykow. These buildings were acquired partly vacant with rental guarantees covering the vacant space.	**4.1%** **for the six months to 31 March 2021** (31 March 2020: 5.5% and 30 September 2020: 5.4%)
8. EPRA Cost Ratio Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs. We expect the EPRA cost ratio to decrease over time, as the portfolio grows and the Company benefits from economies of scale.	**31.3%[2]** **for the six months to 31 March 2021** (31 March 2020: 30.2%[2] and 30 September 2020: 31.3%[2]) **30.9%[3]** **for the six months to 31 March 2021** (31 March 2020: 29.9%[3] and 30 September 2020: 31.0%[3])

[1]Comparative for 31 March 2020 has been prepared using the new EPRA NAV metrics issued in October 2019. A reconciliation of the comparatives is provided within the Notes to EPRA NAV calculations.

[2]Inclusive of vacant property costs.

[3]Exclusive of vacant property costs.

PRINCIPAL RISKS AND EMERGING UNCERTAINTIES

The Audit Committee, which assists the Board with its responsibilities for managing risk, considers that the principal risks and uncertainties as presented on pages 40 to 45 of our 2020 Annual Report, were largely unchanged during the period. However, this is not to say that certain risks have not increased or decreased in probability or impact during the period.

In particular, the risks associated with COVID-19 pandemic are today better understood than they were during last financial year. However, the Company continues to carefully monitor the evolution of it as it can have an adverse impact on the magnitude and/or likelihood of a number of principal risks set out below.

Property risks

1. The default of one or more of our tenants would reduce revenue and may affect our ability to pay dividends and/or lead to a breach of our banking covenants.

2. The performance and valuation of the portfolio are affected by the market, which is inherently subjective and uncertain. A change in property valuations may lead to a breach of our banking covenants.

3. Our due diligence may not identify all risks and liabilities in respect of a property acquired. An adverse change in the future valuation of that asset may lead to a decrease in our Net Asset Value and affect our ability to meet our target returns.

4. Our ability to grow the portfolio may be restricted by the availability of suitable assets at acceptable prices in targeted countries in Continental Europe.

5. We may have concentration of risk, in particular exposure to country risk, if there are significant economic or political changes in countries where the Company has invested or the Eurozone, which could have an adverse impact on the income derived from said countries and on the valuation of those assets. This could lead to weaker performance of the portfolio.

6. Development activities involve a higher degree of risk than investment in standing investments, such as general construction risks, cost overruns or developer/contractor default. This could reduce the value of our portfolio if any of the risks associated materialised.

Operational risks

1. The Company's performance will, to a large extent, depend on the Manager's abilities to source adequate assets, and to actively manage these assets.

2. Termination of the Investment Management Agreement would severely affect our ability to manage our operations and may have a negative impact on the Company's share price.

3. Failure to secure insurance for assets at suitable pricing levels may have a negative impact on shareholder returns, or create significant financial risk if assets are uninsured

Financial risks

1. Our use of floating rate debt will expose the Company to underlying interest rate movements. Any adverse movement in Euribor could affect our profitability and ability to pay dividends.

2. A lack of debt funding at appropriate rates may restrict our ability to grow, by making us unable to pursue suitable investment opportunities. This may impair our ability to reach our targeted returns.

3. Failure to operate within our debt covenants could lead to a default and debt funding being recalled. This may result in us selling assets to repay loan commitments.

Taxation risks

1. If the Company fails to maintain approval as an Investment Trust its income and gains will be subject to UK corporation tax and it will be unable to designate dividends as interest distributions.

2. A change in local taxation status or tax legislation in any of the countries we invest in may lead to increased tax charges for the Company, resulting in lower profits and returns to Shareholders.

Political risks

1. There is continuing uncertainty relating to the world economy, combined with political uncertainty in many countries. This could have a negative effect on the performance of the Company over both the short and longer term.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority, IAS 34 'Interim Financial Reporting', and with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union;

- the interim management report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Approved by the Board on 17 May 2021

and signed on its behalf by:

Robert Orr Director

INDEPENDENT REVIEW REPORT TO TRITAX EUROBOX PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2021 which comprises condensed group statement of comprehensive income, condensed consolidated statement of financial position, condensed group statement of changes in equity, condensed group cash flow statement and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2021 is not prepared, in all material respects, in accordance with IAS 34

Interim Financial Reporting adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The annual financial statements of the group/company are prepared in accordance with International Financial Reporting Standards as adopted by the EU and the next annual financial statements will be prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

David Neale

for and on behalf of KPMG LLP

Chartered Accountants

15 Canada Square

London

E14 5GL

17 May 2021

Condensed Group Statement of Comprehensive Income for the six months ended 31 March 2021

	Note	**Six months ended 31 March 2021 (unaudited) €m**	Six months ended 31 March 2020 (unaudited) €m
Rental income	4	**19.35**	17.41
Service charge income	4	**3.67**	2.60
Other income	4	**0.19**	0.17
Gross property income	4	**23.21**	20.18
Direct property costs		**(4.51)**	(3.02)
Net property income		**18.70**	17.16

Fair value gain on investment properties	9	**26.38**	19.35
Gain on disposal of investment property		**7.38**	0.81
Administrative and other expenses		**(5.40)**	(5.00)
Operating profit		**47.06**	32.32
Finance expense	5	**(5.90)**	(4.61)
Effect of foreign exchange differences		**0.08**	0.04
Changes in fair value of interest rate derivatives	13	**(0.01)**	0.07
Profit before taxation		**41.23**	27.82
Taxation	6	**(8.60)**	(5.35)
Profit and total comprehensive income for the period		**32.63**	22.47
Earnings Per Share (EPS) (expressed in cents per share)			
EPS - basic and diluted	7	**7.32**	5.32

Condensed Consolidated Statement of Financial Position as at 31 March 2021

	Note	**31 March 2021 (unaudited) €m**	30 September 2020 (audited) €m
Non-current assets			
Investment properties	9	**841.64**	837.90
Derivative financial instruments	13	**0.08**	0.09
Trade and other receivables	10	**1.17**	1.17
Deferred tax assets		**0.32**	1.15
Total non-current assets		**843.21**	840.31
Current assets			
Trade and other receivables	10	**12.40**	14.72
Cash and cash equivalents		**200.05**	24.44
Total current assets		**212.45**	39.16
Total assets		**1,055.66**	879.47
Current liabilities			
Trade and other payables		**(12.12)**	(9.29)
Income tax liability		**(3.61)**	(0.34)
Total current liabilities		**(15.73)**	(9.63)
Non-current liabilities			
Trade and other payables		**(1.39)**	(1.46)
Loans and borrowings	11	**(256.59)**	(340.63)
Deferred tax liabilities		**(18.01)**	(13.64)
Other liabilities	12	**(10.16)**	(8.89)
Tenant deposit		**(2.11)**	(1.31)
Total non-current liabilities		**(288.26)**	(365.93)
Total liabilities		**(303.99)**	(375.56)
Net assets		**751.67**	503.91
Equity			
Share capital	15	**6.15**	4.23
Share premium reserve		**354.38**	131.24
Retained earnings		**391.14**	368.44
Total equity		**751.67**	503.91
Net Asset Value (NAV) per share (expressed in Euro per share)			
Basic NAV	16	**1.22**	1.19
EPRA NRV (formerly EPRA NAV)[1]	16	**1.31**	1.30

[1] The prior year has been recomputed in line with the latest EPRA guidance over Net Asset Value measures.

Condensed Group Statement of Changes in Equity for the six months ended 31 March 2021

Share	Share	Retained

(Unaudited)	Note	capital €m	premium €m	earnings €m	Total €m
At 1 October 2020		4.23	131.24	368.44	503.91
Profit and total comprehensive income		-	-	32.63	32.63
		4.23	131.24	401.07	536.54
Contributions and distributions:					
New share capital subscribed		1.92	228.08	-	230.00
Associated share issue costs		-	(4.94)	-	(4.94)
Dividends paid		-	-	(9.93)	(9.93)
Total contributions and distributions		1.92	223.14	(9.93)	215.13
At 31 March 2021		**6.15**	**354.38**	**391.14**	**751.67**

(Audited)	Note	Share capital €m	Share premium €m	Retained earnings €m	Total €m
At 1 October 2019		4.23	131.21	341.83	477.27
Profit and total comprehensive income		-	-	44.79	44.79
		4.23	131.21	386.62	522.06
Contributions and distributions:					
Associated share issue costs		-	0.03	-	0.03
Dividends paid	8	-	-	(18.18)	(18.18)
Total contributions and distributions		-	0.03	(18.18)	(18.15)
At 30 September 2020		**4.23**	**131.24**	**368.44**	**503.91**

(Unaudited)	Note	Share capital €m	Share premium €m	Retained earnings €m	Total €m
At 1 October 2019		4.23	131.21	341.83	477.27
Profit and total comprehensive income		-	-	22.47	22.47
		4.23	131.21	364.30	499.74
Contributions and distributions:					
Associated share issue costs		-	0.02	-	0.02
Dividends paid		-	-	(8.88)	(8.88)
Total contributions and distributions		-	0.02	(8.88)	(8.86)
At 31 March 2020		**4.23**	**131.23**	**355.42**	**490.88**

Condensed Group Cash Flow Statement for the six months ended 31 March 2021

	Note	**Six months ended 31 March 2021 (unaudited) €m**	Six months ended 31 March 2020 (unaudited) €m
Cash flows from operating activities			
Profit for the period		**32.63**	22.47
Gain on disposal		**(7.38)**	(0.81)
Changes in fair value of investment properties		**(26.38)**	(19.35)
Changes in fair value of interest rate derivatives		**0.01**	(0.07)
Tax expense		**8.60**	4.88
Finance expense		**5.90**	3.96
Accretion of tenant lease incentive and amortisation of capital contribution and lease commission	4	**0.33**	(1.26)
Decrease in trade and other receivables		**1.49**	10.78
Increase/(decrease) in trade and other payables		**2.69**	(3.68)
Cash generated from operations		**17.89**	16.92
Tax paid		**(0.34)**	(0.63)
Net cash flow generated by operating activities		**17.55**	16.29
Investing activities			
Purchase of investment properties		**(32.12)**	(101.05)
Disposal of investment properties		**64.35**	-
Disposal of assets held-for-sale		**-**	2.33
Improvements to investment properties and development		**(1.68)**	(6.47)

expenditure			
Rental guarantees received		**0.95**	-
Net cash flow generated by/(used in) investing activities		**31.50**	(105.19)
Financing activities			
Proceeds from issue of Ordinary Share capital		**230.00**	-
Cost of share issues		**(4.94)**	0.02
Loans received	11	**180.00**	121.00
Loans repaid	11	**(264.00)**	-
Loan arrangement fees paid	11	**(0.37)**	(0.73)
Loan interest paid		**(4.12)**	(3.37)
Dividends paid to equity holders	8	**(9.93)**	(8.88)
Net cash flow generated from financing activities		**126.64**	108.04
Net movement in cash and cash equivalents for the period		**175.69**	19.14
Cash and cash equivalents at start of the period		**24.44**	17.90
Unrealised foreign exchange (losses)/gains		**(0.08)**	0.03
Cash and cash equivalents at end of the period		**200.05**	37.07

Notes to the Condensed Consolidated Financial Statements for the six months ended 31 March 2021

1. Basis of preparation

These condensed financial statements for the six months ended 31 March 2021 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority, IAS 34 'Interim Financial Reporting', and with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. They were approved for issue on 17 May 2021. These condensed financial statements are unaudited and do not constitute statutory accounts for the purposes of the Companies Act 2006.

The comparative financial information presented herein for the period to 30 September 2020 for the Condensed Consolidated Statement of Financial Position or 31 March 2020 for other primary statements does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that period has been delivered to the Registrar of Companies. The auditor's report on those accounts for the period from 1 October 2019 to 30 September 2020 was not qualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report, and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

1.1 Going concern

The Directors have prepared cash flow forecasts for the Group for a period of 12 months from 31 March 2021 of these financial statements. These forecasts include the Directors' assessment of the impact of Covid-19 on the Group, and plausible downside scenarios.

The Group's property portfolio is let to 21 tenants across over 12 properties in 6 European countries. The Group's largest tenant represents 20% of contracted rent at 31 March 2021 and the top 5 tenants together represent 61%.

The Directors have considered the risk that further tenants either request deferrals or become insolvent and hence no rent is paid. The Directors have assessed each tenant's risk based on experience, knowledge of the tenant and discussions to date on rent deferrals. Following this assessment the Directors have modelled a severe but plausible downside scenario, where they combined the default of two key tenants and the failure to let voids, with a significant increase in Euribor. The forecast shows that the Group will continue to have sufficient cash resources to meet its liabilities as they fall due, and will continue to meet its debt covenants, which are set out in further detail below.

The Group's cash balance at 31 March 2021 was €200.1 million. It also had undrawn amounts under its unsecured revolving credit facility of a further €189.0 million at the date of approval of these financial statements. Of the Group's total facilities, €100 million matures in 2023, €100 million in 2024 and €225 million in 2025. The loan includes financial covenants for loan-to-value ("LTV"), interest cover ratio ("ICR") and gearing. These covenants have been complied with throughout the year and up to the date of approval of these financial statements.

The LTV covenant is measured quarterly based on the property valuation as used in the consolidated financial statements. Based on the valuation as at 31 March 2021 of €841.6 million, the Group retained headroom against a covenant limit, reporting 7% against the limit of 65%.

The gearing covenant is measured quarterly based on consolidated total net borrowings to consolidated shareholders' funds. Based on the most recent reporting the Group retained headroom against the covenant limit, reporting 8% against the limit of 150%.

The ICR covenant is measured as the ratio of the Group's consolidated earnings before income and tax, subject to certain adjustments, to consolidated net finance costs in respect of any measurement period, by reference to accounting income. Based on the most recent reporting the Group retained headroom against the covenant limit, reporting 322% against the limit of 150%.

As a result of the above considerations the Directors have prepared these financial statements on a going concern basis.

Consequently, the directors are confident that the Group and the Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial

statements on a going concern basis.

2. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

2.1. Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Business combinations

The Group acquires subsidiaries that own investment properties. 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 where an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Where such acquisitions are not judged to be the acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity is allocated between the identifiable assets and liabilities of the entity based upon their relative fair values at the acquisition date. Accordingly, no goodwill or additional deferred tax relating to pre-acquisition property valuation gains arises.

In the current period all acquisitions were accounted for as asset acquisitions as none of the acquisitions included the acquisition of an integrated set of activities.

Segment reporting

The Directors are of the opinion that the Group is engaged in a single segment business, being the investment in European Big Box assets. The Directors consider that these properties have similar economic characteristics and as a result these individual properties have been reported as a single operating segment.

2.2. Estimates

Fair valuation of investment property

The fair value of investment property is determined, by an independent property valuation expert, to be the estimated amount for which a property should exchange on the date of the valuation in an arm's length transaction. Properties have been valued on an individual basis. The valuation expert uses recognised valuation techniques, applying the principles of both IAS 40 and IFRS 13.

The valuations have been prepared in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation - Global Standards January 2020 ("the Red Book"). Factors reflected include current market conditions, annual rentals, lease lengths and location. The significant methods and assumptions used by valuers in estimating the fair value of investment property are set out in note 9.

3. Summary of significant accounting policies

The accounting policies adopted in this report are consistent with those applied in the Group's consolidated financial statements for the period ended 30 September 2020 and are expected to be applied consistently during the year ending 30 September 2021.

3.1. Standards in issue and effective from 1 October 2020

<u>Amendments to IFRS 3 "Business Combinations", definition of a business</u>

The amendment provides a revised framework for evaluating a business and introduces an optional "concentration test" and impacts the assessment and judgements used in determining whether future property transactions represent an asset acquisition or business combination. As a result of the amendment it is expected that future transactions are more likely to be treated as an asset acquisition.

Amendments to References to the Conceptual Framework in IFRS Standards were endorsed by the European Commission for use in the European Union. The Amendments update some of the references and quotations in IFRS Standards and Interpretations so that they refer to the revised Conceptual Framework or specify the version of the Conceptual Framework to which they refer.

There was no material effect from the adoption of other amendments to IFRS effective in the year. They have no impact to the Group significantly as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

3.2. New standards issued but not yet effective

Amendments to IAS 1 on Classification of liabilities as Current or Non-Current are effective for the financial years commencing on or after 1 January 2023 and are to be applied retrospectively. It is not expected that the amendments may have an impact on the presentation and classification of liabilities in the Group Statement of Financial Position based on rights that are in existence at the end of the reporting period.

There are no other standards that are not yet effective that would be expected to have a material impact on the Group in the current or

future reporting periods and on the foreseeable future transactions.

4. Gross property income

	Six months ended 31 March 2021 (unaudited) €m	Six months ended 31 March 2020 (unaudited) €m
Rental income[1]	**19.68**	16.15
Spreading of tenant incentives[1]	**(0.19)**	1.26
Amortisation of capital contribution and lease commission	**(0.14)**	-
Gross rental income	**19.35**	17.41
Service charges recoverable	**3.67**	2.60
Other income	**0.19**	0.17
Gross property income	**23.21**	20.18

[1] Includes €0.5 million received from Covid-19 rent deferred from the 2019/20 financial year.

The Group derives property income from the following countries:

Gross property income (unaudited)	**Belgium €m**	**Germany €m**	**Spain €m**	**Italy €m**	**Poland €m**	**The Netherlands €m**	**Total €m**
Period ended 31 March 2021	**2.81**	**7.33**	**4.28**	**3.56**	**4.31**	**0.92**	**23.21**
Period ended 31 March 2020	2.92	6.57	4.18	3.53	2.64	0.34	20.18

The future minimum lease payments under non-cancellable operating leases receivable by the Group are as follows:

(Unaudited)	**Less than 1 year €m**	**Between 1 and 2 years €m**	**Between 2 and 3 years €m**	**Between 3 and 4 years €m**	**Between 4 and 5 years €m**	**More than 5 years €m**	**Total €m**
31 March 2021	**37.01**	**36.54**	**35.81**	**30.62**	**28.63**	**179.79**	**348.40**
31 March 2020	37.14	37.76	37.79	36.87	34.65	205.57	389.78

The Group's investment properties are leased mainly to single tenants, some of which have guarantees attached, under the terms of a commercial property lease. The majority have rent indexation that are linked to either RPI/CPI or fixed uplifts.

There are three tenants representing more than 10% of rental income during the period (€4.03 million, €3.10 million and €2.00 million). As at 31 March 2021 and 31 March 2020, three tenants represented more than 10% of passing rent.

5. Finance expense

	Six months ended 31 March 2021 (unaudited) €m	Six months ended 31 March 2020 (unaudited) €m
Interest payable on loans and bank borrowings	**3.07**	2.58
Commitment fees payable on bank borrowings	**0.96**	0.89
Loss on remeasurement of put option	**1.44**	0.64
Bank fees	**0.10**	0.06
Amortisation of loan arrangement fees	**0.33**	0.44
Total finance expense	**5.90**	4.61

The total interest payable on financial liabilities carried at amortised cost comprises interest and commitment fees payable on bank borrowings of €4.03 million (31 March 2020: €3.47 million), of which nil was capitalised in both periods. The total amortisation of loan arrangement fees for 31 March 2021 was €0.33 million (31 March 2020: €0.44 million), of which €0.37 million (31 March 2020: €0.73 million) was capitalised into the loan in the period (see note 11).

6. Taxation

Tax charge in the Group Statement of Comprehensive Income

	Six months	Six months

	ended 31 March 2021 (unaudited) €m	ended 31 March 2020 (unaudited) €m
Current taxation:		
UK taxation	-	-
Overseas taxation[1]	**3.43**	0.14
Deferred taxation:		
UK taxation	-	-
Overseas taxation	**5.17**	5.21
Total tax change	**8.60**	5.35

[1] Includes the capital gains tax on disposal of investment properties for €3.04 million.

The UK corporation tax charge of €nil reflects the Company's intention to declare sufficient "qualifying interest distributions" to fully offset its "qualifying interest income" in the period, in accordance with its status as an Investment Trust Company ("ITC").

7. Earnings per share

Earnings per share ("EPS") amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Group by the weighted average number of Ordinary Shares in issue during the period. As at 31 March 2021 there are no dilutive or potentially dilutive equity arrangement in existence.

The calculation of EPS is based on the following:

For the period ended 31 March 2021 (unaudited)	Net profit attributable to Ordinary Shareholders €m	Weighted average number of Ordinary Shares[1] '000	Earnings per share Cent
Basic EPS	**32.63**	**446,013**	**7.32**
Adjustments to remove:			
Deferred tax charge (note 6)	**5.17**		
Current tax charge on disposal (note 6)	**3.04**		
Changes in fair value of investment properties (note 9)	**(26.38)**		
Changes in fair value of interest rate derivatives (note 13)	**0.01**		
Gain on disposal of investment properties	**(7.38)**		
EPRA EPS	**7.09**	**446,013**	**1.59**
Adjustments to include/(exclude):			
Rental income recognised in respect of fixed uplifts	**(0.34)**		
Amortisation of capital contribution and lease commission	**0.14**		
Rental income deferred[3]	**0.53**		
Rental guarantee receipts excluded from property income-settled via cash[2]	**0.86**		
Rental guarantee receipts excluded from property income-settled via contracted liability settlement[2]	**0.28**		
Amortisation of loan arrangement fees	**0.33**		
Unrealised foreign exchange currency loss	**(0.08)**		
Loss on remeasurement of put option	**1.44**		
Adjusted EPS	**10.25**	**446,013**	**2.30**

1 Based on the weighted average number of Ordinary Shares in issue throughout the period.
2 This is offset against the cost of investment properties.
3 Covid-19 rent deferred from the 2019/20 financial year collected during the period.

The calculation of EPS is based on the following:

For the period ended 31 March 2020 (unaudited)	Net (loss)/profit attributable to Ordinary Shareholders €m	Weighted Average number of Ordinary Shares[1] '000	Earnings per share Cent
Basic EPS	22.47	422,727	5.32
Adjustments to remove:			

Deferred tax charge	5.21		
Changes in fair value of investment properties (note 9)	(19.35)		
Changes in fair value of interest rate derivatives (note 13)	(0.07)		
Gain on disposal of investment properties	(0.81)		
EPRA EPS	7.45	422,727	1.76
Adjustments to include/(exclude):			
Licence fee receivable on forward funded developments	0.50		
Rental income recognised in respect of fixed uplifts	(1.26)		
Rental guarantee receipts excluded from property income-settled via cash[2]	1.15		
Rental guarantee receipts excluded from property income-settled via contracted liability settlement[2]	0.54		
Amortisation of loan arrangement fees	0.44		
Unrealised foreign exchange currency loss	0.03		
Loss on remeasurement of put option	0.64		
Adjusted EPS	9.49	422,727	2.25

1 Based on the weighted average number of Ordinary Shares in issue throughout the period.

2 This is offset against the cost of investmentproperties.

Adjusted Earnings is a performance measure used by the Board to assess the level of the Group's dividend payments. The metric mainly adjusts EPRA earnings for:

i. Exclusion of non-cash items credited or charged to the Group Statement of Comprehensive Income, such as fixed rental uplift adjustments and amortisation of loan arrangement fees;

ii. Inclusion of licence fees which relates to cash received from developers during development periods, in order to access the land; and

iii. Inclusion of rental guarantee adjustments relate to acquired assets with properties which have had an income guarantee attached to them as part of the acquisition of the asset. The rental guarantee is released (through a cash movement or contracted liability settlement) as adjusted earnings over the period of the lease which it is intended to cover or lease break - however, this release does not go through rental income in the Group Statement of Comprehensive Income, and as such an adjustment is made to recognise the receipt.

8. Dividends paid

	Six months ended 31 March 2021 (unaudited) €m	Six months ended 31 March 2020 (unaudited) €m
Final dividend in respect of period ended 30 September 2020 at 1.10 cent per Ordinary Share (30 September 2019: 1.00 cent)	**4.65**	4.23
First interim dividend in respect of year ended 30 September 2021 at 1.25 cent per Ordinary Share (30 September 2019: 1.10 cent)	**5.28**	4.65
Total dividends paid	**9.93**	8.88
Total dividends paid per share for the period	**2.35 cent**	2.10 cent
Total dividends unpaid but declared per share for the period	**1.25 cent**	1.10 cent
Total dividends declared per share for the period	**2.50 cent**	2.20 cent

On 18 May 2021, the Directors of the Company declared a second interim dividend in respect of the year ended 30 September 2021 of 1.25 cent per Ordinary Share, which will be payable on or around 18 June 2021 to Shareholders on the register on 28 May 2021.

Out of €12.98 million dividends declared for the period, €1.81 million is designated as interest distribution.

9. Investment properties

The Group's investment property has been valued at fair value by Jones Lang LaSalle Limited ("JLL"), an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the locations and categories of the investment properties being valued. The valuations have been prepared in accordance with the RICS Valuation - Global Standards January 2020 ("the Red Book") and incorporate the recommendations of the International Valuation Standards which are consistent with the principles set out in IFRS 13. In forming its opinion, JLL makes a series of assumptions, which are typically market related, such as net initial yields and expected rental values and are based on the Valuer's professional judgement and the current tenancy of the properties.

The valuations are the ultimate responsibility of the Directors. Accordingly, the critical assumptions used in establishing the independent valuation are reviewed by the Board.

All corporate acquisitions during the period have been treated as asset purchases rather than business combinations.

During the period, the following investment properties was acquired:

Location	Date acquired
Nivelles, Belgium[1]	29 January 2021

[1] Acquired based on asset deal.

(Unaudited)	Investment properties completed €m	Investment properties under construction €m	Investment properties Total €m
As at 1 October 2020	**837.90**	**-**	**837.90**
Acquisition of properties[1]	**31.80**	**-**	**31.80**
Improvements to investment properties	**1.03**	**-**	**1.03**
License fees and rental guarantees recognised	**(1.21)**	**-**	**(1.21)**
Disposal of properties	**(56.97)**	**-**	**(56.97)**
Development expenditure	**-**	**1.65**	**1.65**
Fixed rental uplift and tenant lease incentives[2]	**1.39**	**-**	**1.39**
Amortisation on rental uplift and tenant lease incentives[2]	**(0.33)**	**-**	**(0.33)**
Reclassification from completed investment properties to investment properties under construction	**(3.10)**	**3.10**	**-**
Change in fair value during the period[3]	**26.22**	**0.16**	**26.38**
As at 31 March 2021	**836.73**	**4.91**	**841.64**

(Audited)	Investment properties completed €m	Investment properties under construction €m	Investment properties Total €m
As at 1 October 2019	**665.75**	**21.83**	**687.58**
Acquisition of properties[1]	**105.86**	**-**	**105.86**
Improvements to investment properties	**1.43**	**-**	**1.43**
License fees and rental guarantees recognised	**(3.90)**	**-**	**(3.90)**
Development expenditure	**-**	**6.22**	**6.22**
Transfer from investment properties under construction to completed	**28.05**	**(28.05)**	**-**
Fixed rental uplift and tenant lease incentives[2]	**2.57**	**-**	**2.57**
Amortisation on rental uplift and tenant lease incentives[2]	**(0.43)**	**-**	**(0.43)**
Change in fair value during the period[3]	**38.57**	**-**	**38.57**
As at 30 September 2020	**837.90**	**-**	**837.90**

1 Included acquisition costs of €0.80 million (30 September 2020: €2.27 million).

2 This balance arises as a result of the IFRS treatment of leases with fixed or minimum rental uplifts and rent free periods, which requires the recognition of rental income on a straight line basis over the lease term. The amount as at 31 March 2021 was €5.20million (30 September 2020: €6.23 million). The difference between this and cash receipts changes the carrying value of the property against which revaluations are measured (also see note 6).

3 Included in the fair value change in the period were unrealised gains of €28.19 million (30 September 2020: €53.93 million) and unrealised losses of €1.81 million (30 September 2020: €15.36 million).

	31 March 2021 €m	**30 September 2020 €m**
Investment properties in Balance Sheet	**841.64**	837.90
Rental guarantee held in separate receivable	**1.74**	1.41
Total external valuation of investment properties	**843.38**	839.31

As at 31 March 2021, the Group had the following capital commitments in relation to its forward funded pre-let development assets for €50.6 million (30 September 2020: €44.0 million):

- Bornem of €5.6 million
- Strykow of €13.5 million subject to pre-let conditions being met
- Mango extension €31.5 million subject to permit

These costs are not provided for in the Statement of Financial Position. Capital commitments represent costs to bring the asset to completion under the developer's funding agreements which include the developer's margin.

Valuation and real estate risks

There is risk to the fair value of real estate assets that are part of the portfolio of the Group, comprising variation in the yields that the market attributes to the real estate investments and the market income that may be earned.

Real estate investments can be impacted adversely by external factors such as the general economic climate, supply and demand dynamics in the market, competition and increase in operating costs.

Besides asset specific characteristics, general market circumstances affect the value and income from investment properties such as the cost of regulatory requirements related to investment properties, interest rate levels and the availability of financing.

The Manager of the Group has implemented a portfolio strategy with the aim to mitigate the above stated real estate risk. By diversifying in regions, risk categories and tenants, it is expected to lower the risk profile of the portfolio.

As of the date of this Interim Report, the only investments of the Group that have been identified consist of the current portfolio as specified in the management report. While the Group is negotiating to acquire further properties, there is no guarantee that these properties will form part of the portfolio of the Group.

With respect to new investments, management will be targeting specific investment categories based on the Group's investment objective and restrictions. Because such investments may be made over a substantial period of time, the Group faces the risk of interest rate fluctuations in case of leveraging these investments and adverse changes in the real estate markets.

Fair value hierarchy

The Group considers that all of its investment properties and investment properties under construction fall within Level 3 of the fair value hierarchy as defined by IFRS 13. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

The valuations have been prepared on the basis of Market Value ("MV"), which is defined in the RICS Valuation Standards, as:

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

MV as defined in the RICS Valuation Standards is the equivalent of fair value under IFRS.

The following descriptions and definitions relating to valuation techniques and key unobservable inputs made in determining fair values are as follows:

Valuation techniques

Investment properties completed: income approach

The income method (or income approach) quantifies the net present value of future benefits associated with the ownership of the asset by totalling the current tenancy of the property, followed by the demand market rent on lease expiry, capitalised at an appropriate yield.

Investment properties under construction: residual approach

The residual approach for properties under construction takes the expected valuation of the finished property using the income approach and deducts forecast costs to complete the development and an allowance for developer's profit.

Unobservable input: estimated rental value ("ERV")

The range of rent per square metre, per annum at which space could be let in the market conditions prevailing at the date of valuation at 31 March 2021: €40.73-€86.30 (30 September 2020: €32.10-€84.97).

ERV is dependent upon a number of variables in relation to the Group's property. These include: size, building specification and location.

Unobservable input: net initial yield

The net initial yield is defined as the initial net income as a percentage of the market value (or purchase price as appropriate) plus standard costs of purchase: average: 4.35%* or range: 3.65%- 6.13% (30 September 2020: average: 4.57%* or range: 3.91%-6.25%). Net initial yield is dependent on the tenant, lease length and the other variables listed above for ERV.

Net initial yield and ERV are not necessarily independent variables. It is possible a change in one assumption may result in an offsetting change to the other but equally the change in both assumptions may increase the impact on valuation.

Sensitivities of measurement of significant unobservable inputs

As set out within significant accounting estimates and judgements above, the Group's property portfolio valuation is open to estimation uncertainty and is inherently subjective in nature.

As a result the following sensitivity analysis has been prepared for investment properties:

	-0.25% net initial yield €m	+0.25% net initial yield €m	-0.50% ERV €m	+0.50% ERV €m
(Decrease)/increase in the fair value of				

investment properties as at 31 March 2021	46.48	(41.83)	(21.81)	20.85
(Decrease)/increase in the fair value of investment properties as at 30 September 2020	48.56	(43.41)	(20.03)	20.03

* Including rental guarantee

The JLL valuation includes deductions for transaction costs that would be incurred by a hypothetical purchaser at the valuation date. These costs include Real Estate Transfer Tax (RETT) equivalent to stamp duty except for properties in Italy, Poland and Belgium. In the former, this is due to Italy being an Investment Management Company (SGR), in Poland, RETT is not applicable and in Belgium, the local valuation practice is to exclude such costs given the prevalence of corporate rather than asset transactions in these markets.

10. Trade and other receivables

Non-current trade and other receivables	**31 March 2021 (unaudited) €m**	30 September 2020 (audited) €m
Cash in public institutions	**1.17**	1.17

The cash in public institutions is a deposit of €1.17 million given by the tenant for the property in Barcelona, Spain.

Current trade and other receivables	**31 March 2021 (unaudited) €m**	30 September 2020 (audited) €m
Trade receivables	**1.51**	2.52
Prepayments, accrued income and other receivables	**4.90**	5.92
Escrow cash	**1.21**	0.39
VAT receivable*	**4.78**	5.89
	12.40	14.72

* VAT receivable relates mainly to VAT reclaim due on the purchase of the property in Italy €3 million (30 September 2020: €4 million).

11. Loans and borrowings

As at 31 March 2021, all of the Group's debt facility commitments are floating term. The LTV across all drawn debt was 7% against a target of 45% (with a limit of 65% in the RCF). The Group has been in compliance with all of the financial covenants of the Group's bank facilities as applicable throughout the period covered by these financial statements.

The Group had available headroom of €165.00 million under its bank borrowings (30 September 2020: €81.00 million).

Any associated fees in arranging the loan and borrowings that are unamortised as at the period end are offset against amounts drawn on the facilities as shown in the table below:

	31 March 2021 (unaudited) €m	30 September 2020 (audited) €m
Bank borrowings at the beginning of the period	**340.63**	231.95
Bank borrowings drawn in the period	**180.00**	121.00
Bank borrowings repaid in the period	**(264.00)**	(12.50)
Loan issue costs paid	**(0.37)**	(0.74)
Non-cash amortisation of loan issue costs	**0.33**	0.92
Non-current liabilities: loan and borrowings	**256.59**	340.63

Maturity of loans and borrowings	**31 March 2021 (unaudited)**		
	Drawn €m	**Undrawn €m**	**Total debt available €m**
Repayable between one and two years	**-**	**-**	**-**
Repayable between two and three years	**61.17**	**38.83**	**100.00**
Repayable between three and four years	**61.18**	**38.82**	**100.00**
Repayable between four and five years	**137.65**	**87.35**	**225.00**
Repayable in over five years	**-**	**-**	**-**
	260.00	**165.00**	**425.00**

Maturity of loans and borrowings	**30 September 2020 (audited)**		
	Drawn €m	**Undrawn €m**	**Total debt available €m**

Repayable between one and two years	-	-	-
Repayable between two and three years	-	-	-
Repayable between three and four years	80.94	19.06	100.00
Repayable between four and five years	263.06	61.94	325.00
Repayable in over five years	-	-	-
	344.00	81.00	425.00

12. Other liabilities

The Group's properties in Germany are held in subsidiaries in which the Group holds 94.9% or 89.9% of the shares. As part of the purchase agreements, the Group issued put options to the minority shareholders. The options are exercisable ten years after acquisition and would require the Group to acquire all shares held by the minority shareholder at the then market value. Prior to the option date the Group has guaranteed a fixed dividend to the minority shareholder. If this is not met by the subsidiary, then the Company is required to settle this obligation.

13. Derivative financial instruments

To mitigate the interest rate risk that arises as a result of entering into variable rate loans, a number of interest rate caps have been taken out in respect of the Group's variable rate debt to cap the rate to which three month Euribor can rise. Each cap runs coterminous to the initial term of the respective loans.

As at the period end the Group had notional value of interest rate caps of €300 million to act as a hedge against the €425 million revolving credit facility.

The weighted average capped rate, excluding any margin payable, for the Group as at the period end was 0.67%. The total premium payable in the period towards securing the interest rate caps was €nil (30 September 2020: €nil).

	31 March 2021 (unaudited) €m	30 September 2020 (audited) €m
Interest rate derivatives valuation brought forward	**0.09**	0.12
Fair value movement	**(0.01)**	(0.03)
Non-current assets: interest rate derivatives carried forward	**0.08**	0.09

The interest rate derivatives are marked to market by the relevant counterparty banks on a quarterly basis in accordance with IFRS 9. Any movement in the mark-to-market values of the derivatives are taken to the Group profit or loss.

As at the period end date the total proportion of debt hedged via interest rate derivatives equated to 115% (30 September 2020: 87%).

Fair value hierarchy

The fair value of the Group's interest rate derivatives is recorded in the Group Statement of Financial Position and is determined by forming an expectation that interest rates will exceed strike rates and discounting these future cash flows at the prevailing market rates as at the period end. This valuation technique falls within Level 2 of the fair value hierarchy, as defined by IFRS 13. The valuation was provided by the counterparty to the derivatives. There have been no transfers between Level 1 and Level 2 during any of the periods, nor have there been any transfers between Level 2 and Level 3 during any of the periods.

14. Financial risk management

Financial instruments

The Group's principal financial assets and liabilities are those that arise directly from its operations: trade and other receivables, trade and other payables and cash held at bank. The Group's other principal financial assets and liabilities are bank borrowings and interest rate derivatives, the main purpose of which is to finance the acquisition and development of the Group's investment property portfolio and hedge against the risk of interest rates rising. The book value of the Group's financial instruments that are carried in the financial statements approximates their fair value at the end of the period.

Risk management

The Group is exposed to market risk (including interest rate risk) and credit risk. The Board of Directors oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks that are summarised below.

Market risk

Market risk is the risk that the fair values of financial instruments will fluctuate because of changes in market prices. The financial instruments held by the Group that are affected by market risk are principally the Group's cash balances and bank borrowings along with interest rate derivatives entered into to mitigate interest rate risk.

The Group monitors its interest rate exposure on a regular basis. A sensitivity analysis performed to ascertain the impact on the Group Cash Flow Statement and net assets which shows that a 50 basis point decrease/increase in interest rates would result in an increase of €nil or a increase of €0.27 million to net assets, based on the nominal borrowings at the period end.

The Group currently operates in seven countries. The current distribution of total assets is as follows:

The

Total assets	Belgium	Germany	Spain	Italy	Poland	UK	Netherlands	Total
31 March 2021 (unaudited)	**129.92**	**318.23**	**171.60**	142.58	**87.94**	**148.16**	**57.23**	**1,055.66**
30 September 2020 (audited)	93.01	303.63	169.12	141.52	117.39	4.37	50.43	879.47

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from both its leasing activities and financing activities, including deposits with banks and financial institutions.

Credit risk is mitigated by tenants being required to pay rentals in advance under their lease obligations. The credit quality of the tenant is assessed based on an extensive credit rating scorecard at the time of entering into a lease agreement or acquiring a let property. The Group holds collateral by way of bank deposits totalling €1.17 million (see note 10).

Covid-19 increased the tenant credit risk of the Group, with some tenants asking for rent deferrals with a view to help their financial position. However, as at 31 March 2021, all deferrals have been repaid as agreed with one single deferral outstanding agreed to be received during the year for €0.9 million.

Outstanding trade receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset less the collateral held.

15. Share capital

The share capital relates to amounts subscribed for share capital at its nominal value:

Ordinary Shares	**31 March 2021 Number**	31 March 2021 €m	30 September 2020 Number	30 September 2020 €m
Issued and fully paid at 1 cent each				
Balance at beginning of period - €0.01 Ordinary Shares	**422,727,273**	**4.23**	422,727,273	4.23
Shares issued in the period	**192,633,688**	**1.92**	-	**-**
Balance at end of period	**615,360,961**	**6.15**	422,727,273	4.23

The Group has one class of Ordinary Shares which carry no right to fixed income.

On 10 March 2021, the Group increased its share capital by another 192,633,688 Ordinary Shares for £1.03 each. As a result, the Group's issued share capital increased to 615,360,961 Ordinary Shares with voting rights.

On 26 September 2018, the Group cancelled 57,100 redeemable preference shares with a nominal value of €57,100. The preference shares did not carry any rights to a dividend.

On 25 September 2018, the Group by way of Special Resolution cancelled the then value of its share premium, by an Order of the High Court. As a result of this cancellation, €329.54 million were transferred from the share premium account into distributable reserves.

16. Net asset value (NAV) per share

Basic NAV per share is calculated by dividing net assets in the Group Statement of Financial Position attributable to ordinary equity holders of the Parent by the number of Ordinary Shares outstanding at the end of the period. As there are no dilutive instruments outstanding basic NAV per share is shown below:

	31 March 2021 (unaudited) €m	30 September 2020 (audited) €m
Net assets per Group Statement of Financial Position	**751.67**	503.91
Ordinary Shares:		
Issued share capital (number)	**615,360,961**	422,727,273
NAV per share (expressed in Euro per share)		
Basic NAV per share	**1.22**	**1.19**

In October 2019, EPRA introduced three new measures of net asset value: EPRA Net Reinvestment Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). These are applicable for accounting periods starting on or after 1 January 2020, but the Group has elected to early adopt these new measures for the year ended 30 September 2020. The Group considers EPRA NRV to be the most relevant EPRA NAV measure for the Group, replacing our previously reported EPRA NAV and EPRA NAV per share metrics. We are now reporting EPRA NRV as our primary NAV measure alongside Basic NAV.

	31 March 2021	30 September 2020

	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
NAV attributable to shareholders	**751.67**	**751.67**	**751.67**	503.91	503.91	503.91
Mark-to-market adjustments of derivatives	**(0.08)**	**(0.08)**	-	(0.09)	(0.09)	-
Deferred tax adjustment	**17.69**	**17.69**	-	12.49	12.49	-
Transaction costs[1]	**36.12**	-	-	34.19	-	-
NAV	**805.40**	**769.28**	**751.67**	**550.50**	**516.31**	**503.91**
NAV per share in Euro	**1.31**	**1.25**	**1.22**	1.30	1.22	1.19

[1] EPRA NTA and EPRA NDV reflect IFRS values which are net of RETT (real estate transfer tax). RETT are added back when calculating EPRA NRV.

17. Transactions with related parties

For the period ended 31 March 2021, all Directors and some of the Members of the Manager are considered key management personnel. The terms and conditions of the Investment Management Agreement are described in the Management Engagement Committee Report. The fee payable to the Manager for the period to 31 March 2021 was €2.34 million (31 March 2020: €2.07 million).

The total amount outstanding at the period end relating to the Investment Management Agreement was €1.16 million (30 September 2020: €1.10 million).

The total amounts paid to Directors for their services for the period to 31 March 2021 was €0.1 million (31 March 2020: €0.1 million).

On 1 October 2020, there were three new Members of the Manager, namely Nick Preston, Frankie Whitehead and James Watson. On 1 February 2021, Alasdair Evans and Phil Redding were also appointed as new Members of the Manager. They are also Members of SG Commercial. The other six Members of the Manager, namely Mark Shaw, Colin Godfrey, James Dunlop, Henry Franklin, Petrina Austin and Bjorn Hobart, are also Members of SG Commercial LLP. No fees were payable to SG Commercial in the period ended 31 March 2021 (31 March 2020: €nil) in respect of agency services. The agency fees payable to SG Commercial LLP represents 0% (31 March 2020: 0%) of the agency fees payable by the Group during the period. There were no fees outstanding as at 31 March 2021 and 30 September 2020.

During the period the Directors received the following dividends: Robert Orr: €470 (31 March 2020: €420), Keith Mansfield: €6,815 (31 March 2020: €4,990), Taco De Groot: €588 (31 March 2020: €525) and Eva-Lotta Sjostedt: €135 (31 March 2020: €nil).

During the period the Members of the Manager received the following dividends: Colin Godfrey: €3,951 (31 March 2020: €2,835), Mark Shaw: €3,973 (31 March 2020: €2,835), James Dunlop: €3,951 (31 March 2020: €2,835), Henry Franklin: €2,689 (31 March 2020: €1,901), Petrina €632 (31 March 2020: €452) and Nick Preston €2,293 (31 March 2020: €1,410).

On 3 December 2020 the Manager has acquired in the market 94,777 Ordinary Shares at 103.82 pence per share on behalf of certain member of staff of the Manager.

18. Subsequent events

On 1 April 2021 the Group announced that it has agreed the purchase of two assets in Germany for a total consideration of €290.9 million excluding acquisition costs.

There were no other significant events occurring after the reporting period, but before the financial statements were authorised for issue.

NOTES TO EPRA NAV CALCULATIONS (UNAUDITED)

In October 2019, EPRA issued new best practice recommendations (BPR) for financial guidelines on its definitions of NAV measures: EPRA net tangible assets (NTA), EPRA net reinvestment value (NRV) and EPRA net disposal value (NDV). The Group has adopted these new guidelines and applies them in the 2020 Annual Report. The Group considered EPRA net reinvestment value (NRV) to be the most relevant NAV measure for the Group, replacing our previously reported EPRA NAV and EPRA NAV per share metrics. We are now reporting EPRA NRV as our primary NAV measure alongside Basic NAV. EPRA NRV is calculated as net assets per the Consolidated Statement of Financial Position excluding cumulative fair value adjustments for debt-related derivatives and deferred tax adjustment, and including transaction costs (Real Estate Transfer Tax and purchaser's costs).

31 March 2021	Current measures			Previously reported measures	
	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m	EPRA NAV €m	EPRA NNNAV €m
NAV attributable to shareholders	**751.67**	**751.67**	**751.67**	**751.67**	**751.67**
Mark-to-market adjustments of derivatives	**(0.08)**	**(0.08)**	**-**	**2.39**	**-**
Deferred tax adjustment	**17.69**	**17.69**	**-**	**17.69**	**-**
Transaction costs[1]	**36.12**	**-**	**-**	**-**	**-**
NAV	**805.40**	**769.28**	**751.67**	**771.75**	**751.67**
NAV per share in Euro	**1.31**	**1.25**	**1.22**	**1.30**	**1.22**

[1]EPRA NTA and EPRA NDV reflect IFRS values which are net of transaction costs (RETT and purchaser's costs). Transaction costs are added back when calculating EPRA NRV.

30 September 2020	Current measures			Previously reported measures	
	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m	EPRA NAV €m	EPRA NNNAV €m
NAV attributable to shareholders	503.91	503.91	503.91	503.91	503.91
Mark-to-market adjustments of derivatives	(0.09)	(0.09)	-	2.38	-
Deferred tax adjustment	12.49	12.49	-	12.49	-
Transaction costs[1]	34.19	-	-	-	-
NAV	**550.50**	**516.31**	**503.91**	**518.78**	**503.91**
NAV per share in Euro	**1.30**	**1.22**	**1.19**	**1.23**	**1.19**

[1]EPRA NTA and EPRA NDV reflect IFRS values which are net of transaction costs (RETT and purchaser's costs). Transaction costs are added back when calculating EPRA NRV.

31 March 2020	Current measures			Previously reported measures	
	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m	EPRA NAV €m	EPRA NNNAV €m
NAV attributable to shareholders	490.88	490.88	490.88	490.88	490.88
Mark-to-market adjustments of derivatives	(0.19)	(0.19)	-	2.28	-
Deferred tax adjustment	9.81	9.81	-	9.81	-
Transaction costs[1]	31.45	-	-	-	-
NAV	**531.95**	**500.50**	**490.88**	**502.97**	**490.88**
NAV per share in Euro	**1.26**	**1.18**	**1.16**	**1.19**	**1.16**

[1]EPRA NTA and EPRA NDV reflect IFRS values which are net of transaction costs (RETT and purchaser's costs). Transaction costs are added back when calculating EPRA NRV.

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