TRITAX EUROBOX

Press Release

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19 May 2020

Tritax EuroBox plc

(the "**Group**" or the "**Company**")

HALF YEAR RESULTS FOR THE SIX-MONTHS ENDED 31 MARCH 2020

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 half year results for the Group for the six-months ended 31 March 2020.

Financial highlights

	31 March 2020	**30 September 2019**	**Increase / (Decrease)**
Investment properties	€816.3m	€689.1m[1]	18.5%[2]
Basic NAV per share	€1.16	€1.13	2.7%
EPRA NAV per share	€1.19	€1.15	3.5%
Weighted average unexpired lease term	9.7 yrs	11.0 yrs	(1.3) yrs
Loan to value (LTV)	41.8%	33.3%	8.5 pts

	31 March 2020	**31 December 2018**	**Increase / (Decrease)**
Dividend per share	2.20cents	0.40cents	
IFRS earnings per share	5.32 cents	2.29 cents	
EPRA earnings per share	1.76 cents	0.63 cents	
Adjusted earnings per share[3]	2.25cents	0.48cents	
Dividend cover	102.1%	115.4%	(13.3) pts
EPRA cost ratio	30.2%	37.6%	(7.4) pts
Total return for six months	5.7%	1.0%	4.7 pts

Robert Orr, Chairman of Tritax EuroBox plc, commented:

"The Company had a positive six months, notwithstanding the outbreak of the COVID-19 pandemic in Europe in the final weeks of the period. We continued to implement our strategy successfully and delivered financial performance in line with our expectations. We believe that the long-term structural trends that are driving demand for logistics space remain compelling, and that changes in consumer and corporate behaviour as a result of the pandemic should further support occupier demand for large logistics assets. Our balance sheet remains robust and we can take further reassurance from the expected future cashflows from the portfolio.

The logistics sector in Europe is well-placed to thrive and we have constructed a resilient business, with first-class assets in excellent locations, financially strong tenants and a robust balance sheet, making us well placed to weather the economic disruption arising from COVID-19. Our close relationships with all our tenants and the asset management opportunities embedded within the

portfolio should underpin continued growth in income and capital values. We remain confident that our platform is scalable and is underpinned by a strong and flexible capital structure."

Operational highlights: A well-positioned, high-quality portfolio

- Portfolio now comprises 12 assets in prime logistics locations. We believe the average size of nearly 76,000 sqm is the largest in the sector and a key differentiator for the Company, given strong occupier demand and limited supply of assets of this size
- Strong, well-diversified base of 21 tenant partners, 80% of whom are multi-billion Euro turnover businesses
- Independent valuation of the portfolio of €819.4 million[4] as at 31 March 2020 (30 September 2019: €691.7 million), reflecting a like-for-like uplift of 2.6% in the period
- Acquired two prime logistics assets totalling nearly 124,000 sqm in the period, for an aggregate cost of €104 million[5]
- Leased vacant space at Bochum, Germany, and agreed an 88,000 sqm future extension to the property in Barcelona, Spain, enhancing income and capital values
- Sold a 16,400 sqm plot of non-core development land at Bornem, Belgium, for €2.3 million, at a price 53% ahead of the latest valuation (realising a profit of €0.8 million)
- Further asset management activity is expected across the portfolio including agreeing pre-let developments on a number of zoned plots of unused land and further leasing of unoccupied space (currently subject to rental guarantees) in Breda, Netherlands and Strykow,Poland
- Weighted average unexpired lease term of 9.7 years at 31 March 2020 (30 September 2019: 11 years)
- 100% of assets are income producing[6]
- 95% of rental income subject to an element of indexation.
- Shares included in FTSE EPRA/NAREIT Global Real Estate Index Series with effect from 23 March 2020

Financial highlights: well capitalised with a strong balance sheet

- Dividends declared in respect of the period of 2.20 cents, 102.1% covered by Adjusted EPS
- Portfolio had a contracted annualised passing rent of €40.5 million as at 31 March 2020
- All rent due over the period 1 October 2019 to 31 March 2020 has been collected
- Debt of €356.5 million at 31 March 2020, giving headroom within debt facilities of €68.5 million.
- Group had €37.1 million of cash at the period end
- Loan to value ("LTV") ratio of 41.8%[7] at 31 March 2020, against the Company's medium-term target of 45% and well below covenant limit
- Four of the Company's five lenders approved a one year extension of the revolving credit facility in the period, resulting in €325 million of debt maturing in 2024 and €100 million maturing in 2023, a weighted average maturity of 4.3 years

Current trading and outlook

Supportive market conditions: The long-term drivers of our market remain in our favour, and we expect them to strengthen further. We believe that the COVID-19 pandemic has stimulated change in consumer shopping habits and will accelerate the adoption of e-commerce platforms as consumers in continental Europe increasingly shop online. The impact of the pandemic has further highlighted

the need for occupiers to have robust, flexible supply chains and emphasised the importance of operating in prime sustainable, well-located buildings.

We believe that both of these effects will drive demand for large-scale, often automated, logistics space as occupiers seek to strengthen their supply chain resilience and increase inventory capacity to reduce future potential disruptions.

Robust rent collection: We continue to support tenants, where appropriate to moderate the impact of COVID-19 on their businesses. As at 12 May 2020, we have agreed to allow four tenants to defer payments. All of this rent will be repaid in full on agreed payment plans. The amount deferred beyond Financial Year 2020 represents 3.9% of the Company's annualised rental income, whilst short term deferrals represent 2.9%.

Well-capitalised balance sheet: We have maintained a disciplined approach to managing our balance sheet, given the lack of visibility on the depth or duration of the crisis. The Company has access to around €69 million of further drawings under the existing unsecured revolving credit facility as well as cash reserves of around €37 million.

Strong income profile: The financial strength of our tenants and the length of leases through which they occupy our assets, further underpinned by the high quality of the assets in prime locations, allows us to remain confident about the income generation capability of our portfolio. Nearly all (95%) of the Company's rental income benefits from annual indexation increases. It remains our intention to continue to grow dividends, supported by our active leasing programme and predictable indexed rents.

Carefully selected portfolio with embedded value: We remain confident that our disciplined investment selection and active management will lead to unlocking further asset management opportunities from our portfolio. This will underpin growth in income and capital value to our shareholders. These initiatives are supported by strong occupational markets which result in continued interest in the Company's limited number of vacant units. Our focus remains on the largest logistics assets, where we believe rental growth will be strong and sustained. These initiatives are supported by strong occupational markets which result in continued interest in the Company's vacant units. Our focus remains on the largest logistics assets, where we believe rental growth will be strong and sustained.

Notes

1 *Includes held for sale assets*
2 *Like-for-like increase of 2.6%*
3 *See note 7 of the Interim financial statements for reconciliation*
4 *Including rental guarantees*
5 *This excludes the capitalised acquisition costs*
6 *Including licence fee income and rental guarantees*
7 *As per KPI definition*

FOR FURTHER INFORMATION, PLEASE CONTACT:

Tritax Group +44 (0) 20 7290 1616
Nick Preston
Mehdi Bourassi
Jefferies International Limited +44 (0) 20 7029 8000
Stuart Klein
Tom Yeadon
Kempen & Co +31 (0) 20 348 8500
Dick Boer

Thomas ten Hoedt

Akur Limited +44 (0)20 7493 3631
Anthony Richardson
Tom Frost
Siobhan Sergeant

Maitland/AMO (Communications Adviser) +44 (0) 20 7379 5151
James Benjamin 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, set against a backdrop of resurgent economic growth across much of continental Europe.

The Company is targeting, on a fully invested and geared basis, an initial Ordinary Share dividend yield of 4.75% p.a.[1], which is expected to increase progressively through regular indexation events inherent in underlying lease agreements, and a total return on the Ordinary Shares of 9.0% p.a.[1] over the medium-term. The Company intends to pay dividends on a quarterly basis with shareholders able to receive dividends in Sterling or Euro.

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

1 *Euro denominated returns, by reference to IPO issue price. These are targets only and not profit forecasts. There can be no assurances that these targets will be met and they should not be taken as indications of the Company's expected or actual future results.*

COMPANY PRESENTATION FOR INVESTORS AND ANALYSTS

A live Company presentation of of the results presentation will take place via a live webcast and conference call from 09:00 (UK time).

For those who wish to access the live webcast, please register here:https://www.investis-live.com/tritaxeurobox/5ea856601e16cc0a00adc690/oyrd

For those who wish to access the live conference call facility, please use the following numbers:

Dial-in: United Kingdom	0800 640 6441
Dial-in: United Kingdom (Local)	020 3936 2999
Dial-in: All other locations	+44 20 3936 2999
Access code:	358465

Participants will be greeted by an operator who will register their details.

On demand recording later in the day

The recording of the Company presentation with slides will be available for replay on demand at Tritax EuroBox's website at: https://www.tritaxeurobox.co.uk/investors/results-centre/ by the close of business.

The Interim Report and Accounts will today be available on the Company's website at www.tritaxeurobox.co.uk. In accordance with Listing Rule 9.6.1, copies of these documents will also be submitted today to the UK Listing Authority via the National Storage Mechanism and will be available for viewing shortly at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

CHAIRMAN'S STATEMENT

This was a positive six months for the Company, notwithstanding the outbreak of the COVID-19 pandemic in the final weeks of the period. We continued to implement our strategy successfully and delivered a financial performance in line with our expectations. Since the pandemic took hold, our priority has been ensuring the health and wellbeing of our stakeholders and intensifying the close communication with our tenant partners, to understand the impact on them.

We believe that the long-term trends that are driving demand for logistics space remain compelling and that changes in consumer and corporate behaviour as a result of the pandemic should further accelerate occupier demand for large logistics assets, while restricting new supply in the short term. We have constructed a resilient business, with first-class assets in excellent locations, strong tenant covenants and a robust balance sheet, making us well placed to weather the economic disruption arising from COVID-19.

Implementing the investment strategy

The Company acquired two high-quality assets during the period. We bought our first property in the Netherlands, which is the logistics gateway to Europe. This newly developed asset is located between the major North Sea ports of Antwerp and Rotterdam, in an area with strong occupier demand. Two of the four units on the site are let to Abbott Logistics, part of US-listed life science company Abbot Laboratories. We also acquired an asset in a prime location in Strykow near Lodz, Poland, comprising two modern logistics units and development land. The existing tenants include Arvato, part of the German Bertelsmann Group, which provides logistics services to H&M from the building. These initiatives are supported by strong occupational markets which result in continued interest in the Company's limited number of vacant units. Our focus remains on the largest logistics assets, where we believe rental growth will be strong and sustained.

The acquisitions mean that at the period end, the portfolio comprised 12 prime logistics assets across continental Europe, giving us exposure to Germany, Italy, Poland, Spain, Belgium and the Netherlands. The average property size is 76,000 sqm, which we believe is the largest in the sector. This is an important differentiator for us, given that across the market there is strong tenant demand and constrained supply of the very large assets of the type we own. These very large, often automated, properties act as the nucleus of the occupier's supply chain. They typically benefit from significant capital expenditure and as a result occupiers are prepared to commit to long leases.

At the period end, the portfolio benefited from contracted annual rental income of €40.5 million and a weighted average unexpired lease term of 9.7 years, giving us a significant, long-term and growing income stream.

Extracting value from the portfolio

The Manager has continued to demonstrate its strong asset management credentials, as it unlocks the value inherent in the portfolio by leveraging its deep sector knowledge and close working relationships with our tenant partners. During the period, we signed an agreement with Mango to fund the extension of our Barcelona property by 88,000 sqm in 2021. This gives us an attractive yield on

cost and will enhance the asset's income and capital value. We also agreed a value-enhancing letting and a lease restructure on improved terms at Bochum, Germany. Finally, we sold a plot of land, unsuitable for large scale logistics development, at our property at Bornem in Belgium for a significant profit over acquisition cost and valuation.

There remain several attractive opportunities to add further value by letting vacant units, currently under rent guarantees and utilising unused or adjacent land within the portfolio. In addition, indexation events embedded in the leases provide regular compounding annual increases in income.

A favourable market

As noted above, we believe that our market remains favourable for asset owners and the long-term structural changes we have seen, such as the accelerating growth of e-commerce, will continue to drive demand for the largest logistics assets. At the same time, vacancy rates and the supply of new development sites for these properties remain low across continental Europe. The supply shortage is most acute in large format buildings benefiting from strong transportation links and near densely populated areas. This supply/demand imbalance has put upward pressure on rental levels across our chosen markets.

COVID-19 is also likely to tighten the supply of large-scale logistics space even further, at least in the near term. Developers are now facing delays with completing construction of existing projects and permissions for new developments are also being delayed.

The response to COVID-19 is likely to increase demand for large logistics assets in prime locations. During the pandemic, many consumers have turned to online shopping for the first time, particularly in Southern Europe which previously had seen low e-commerce penetration, which should accelerate the ongoing shift to e-commerce.

The pandemic has also highlighted the need for robust and flexible supply chains and shown the importance of operating from prime, well-located buildings. Companies may look to protect themselves from future supply chain disruption by bringing manufacturing back to Europe and by holding more inventory at a national or regional level.

Debt financing and cash flow

The Company continues to operate with a prudent level of debt finance, utilising our €425 million revolving credit facility ("RCF") provided by a syndicate of five banks. In November 2019, four of our five banks agreed to extend the RCF by one year. As a result, the maturity of our debt increased to an average of 4.3 years at the period end, with no debt maturing before 2023.

At 31 March 2020, we had drawn €356.5 million against the RCF, giving a loan to value ("LTV") ratio of 41.8%[1] (30 September 2019: €235.5 million drawn and 33.3% LTV). This gives us substantial headroom within our facility and we continue to operate well within our covenants.

Approximately two-thirds of our tenant partners pay us monthly in advance, with the remaining third paying quarterly, with due dates spread throughout the periods. We have received all rents due in respect of the period, and as at 30 April 2020 had agreed to delay payment of €1.6 million or 15.7% of the April to June 2020 quarter's rent until 2021, with a further 3.4% of the quarter's rent still under negotiation. The Company has the additional security of 14 rental deposits and bank guarantees and seven parent company guarantees across the portfolio.

Financial results

At the period end, the basic NAV attributable to owners of the Company was €490.88 million or €1.16 per share (30 September 2019: €477.3 million or €1.13 per share). The EPRA NAV was €502.97 million or €1.19 per share (30 September 2019: €484.2 million or €1.15 per share).

IFRS earnings per share ("EPS") was 5.32 cents and EPRA EPS was 1.76 cents. Adjusted EPS, which adjusts for non-cash items in the income statement and includes rent guarantees and licence fees, was 2.25 cents. The Board considers Adjusted EPS to be the most appropriate measure when considering dividend distributions.

Dividends and total returns

On 14 February 2020, we declared an interim dividend of 1.10 cents per share, in respect of the three months to 31 December 2019. We have today declared a second interim dividend for the period of 1.10 cents per share, which will be paid on or around 15 June 2020, to shareholders on the register as at 29 May 2020. The dividends declared in respect of the first half year therefore totalled 2.20 cents per share and were fully covered by Adjusted EPS. The total return for the period was 5.7%, putting us on track for our full-year target of 9% per annum.

Our focus remains on progressively increasing the dividend once there is more visibility on the effects of the crisis.

EPRA index inclusion

Having satisfied the eligibility criteria, the Company was added to the FTSE EPRA/NAREIT Global Real Estate Index Series on 23 March 2020. This index series is widely followed by global real estate investors and should help us to continue to broaden our shareholder base and increase the liquidity of our shares.

Board and governance

We were delighted to welcome Eva-Lotta Sjöstedt as a Non-Executive Director with effect from 10 December 2019. Her appointment has further strengthened the Board, which now comprises four independent Non-Executive Directors, including me as Chairman. Eva-Lotta brings an in-depth knowledge of global retail, supply chain and digital transformation strategy, which is already adding value to the Board's discussions and decisions.

Current trading and outlook

The global spread of COVID-19 means we are in a period of prolonged uncertainty. It is not possible to know how long the pandemic will last or its impact on the global economy. Even so, we are continuing to see good interest in our vacant units and are having positive conversations with potential occupiers.

We have a well-diversified group of tenants and we are confident they remain financially robust. The outbreak of the virus has reinforced the importance of having strong tenant relationships and through ongoing communication we are able to understand any operational or cash flow impact on them and work collaboratively to provide support and assistance where possible. The Manager's close working relationships with our tenants has stood us in good stead here.

All of our tenants continue to operate their properties, although some are operating at reduced capacity due to lower business volumes or government restrictions. This continued usage, alongside

the significant investment that our tenants have made in our buildings, demonstrates that these are key operating assets for their businesses, as well as being essential in providing the goods and services that the underlying customers continue to require.

It is the strength and diversity of our occupier base and the high quality of our portfolio that gives us continued confidence regarding our ability to generate long-term income to pay dividends to our investors.

In conclusion, since IPO we have constructed a resilient and prudently financed business, underpinned by outstanding assets let to strong tenant partners. Our market fundamentals remain favourable and the Company is well-placed to negotiate the current economic disruption. COVID-19 is likely to accelerate occupier demand while further tightening supply, creating further upward pressure on rents and demand from tenants for longer leases, so as to secure their supply chains. We have identified an attractive pipeline of acquisition opportunities, with the potential to generate robust returns in the market conditions we expect to prevail and look forward to executing on these opportunities when conditions allow.

Robert Orr
Chairman

18 May 2020

Notes

1 *As per the KPI definition*

MANAGERS REPORT

A high-quality and growing portfolio

We acquire large, modern assets that provide highly flexible warehouse space. This makes them attractive to a wide range of occupiers, allowing them to configure the space to their needs, adjust how they use it as their requirements change and accommodate the latest automated technology. In a number of cases the assets we have bought include plots of undeveloped land, allowing us to accommodate the future growth of the occupiers.

BIG: 49%[1] of our assets are over 100,000 sqm. The average size of our assets is 76,000sqm.

MODERN: 86%[1] of our portfolio has been built since 2016. The average age of our assets is 3.5 years.

HIGHLY SPECIFIED:45%[1] of our portfolio is automated, with the remaining 55% being high-quality, flexible distribution space.

WELL LOCATED: 100%[1] of our portfolio is located in key logistics locations within our target investment markets throughout continental Europe.

[1] *By value.*

During the period, the Company made further good strategic progress, growing the portfolio with two high-quality assets that further diversify the portfolio by tenant and geography, and which present several asset management opportunities. We also continued to extract value from the existing portfolio, through various property extension and leasing initiatives.

Strong market fundamentals continue The Company operates in a market with strong fundamentals. While the dynamics of each country in continental Europe are different, there are common themes of rising occupational demand, constrained supply, growing rents and improving lease terms. As noted in the Chairman's Statement, we believe these trends will accelerate once the impact of the COVID-19 pandemic is fully understood, and that investors in the logistics sector may benefit from higher demand and tighter supply as a result, positively impacting on returns.

Structural changes are driving occupational demand

To ensure the sustainability of their business models, logistics property occupiers are responding to profound structural and operational changes in their markets. In particular, they must focus on meeting the needs of modern consumers, optimising their supply chains to reduce costs and ensuring they occupy sustainable assets that will be fit for purpose for many years to come.

Meeting the needs of modern consumers

Online sales are increasing rapidly in many continental European countries. These trends have been prevalent in the US and UK for many years and are now spreading rapidly across continental Europe. Overall, the effect of these changes in Europe has lagged the UK and US markets; however, we expect this gap to narrow more quickly as a result of COVID-19.

The move to online shopping is one of the key drivers of occupational demand for large logistics assets. Faced with the high costs of occupying physical shops and rising online spending, retailers are looking to consolidate their operations and have a combined in-store and online "omnichannel" presence. We are already seeing signs that the COVID-19 pandemic is accelerating this trend, with many consumers, particularly older ones, trying e-commerce for the first time as they cannot visit physical stores, creating new converts to online shopping. The pandemic is also leading to retailers reconsidering their physical shop portfolios, with stores that were struggling prior to the pandemic potentially being uneconomic to reopen. Retailers will therefore be increasingly shifting to the omnichannel approach.

A sophisticated and modern supply chain is fundamental to the success of the omnichannel model, with ever-increasing reliance on very large, flexible, modern logistics properties enabling retailers to offer consumers access to their entire product range and then quickly, flexibly and cheaply deliver those orders and manage returns. As consumers increasingly demand faster and more flexible delivery, occupiers need larger, flexible, more efficient properties that enable shorter throughput and the ability to add capacity to grow their operations.

As an additional change to the way the omnichannel retail model works, we see the contraction of shop portfolios and the final mile distribution functions overlapping and merging. Post crisis we expect that there will be even more redundant retail space that lends itself to satisfying the demand for final mile delivery solutions. We believe that final mile delivery is likely to continue to evolve as supply chains, technology and consumer habits alter.

Optimising supply chains

While online retail is a major driver of demand for the logistics sector, many businesses find themselves with persistent pressure on their supply chain overheads, making the efficiencies and lower costs offered by large flexible logistics buildings highly appealing.

As a result, occupiers are choosing to consolidate to fewer, larger and more modern distribution assets. This provides them with economies of scale and the opportunity to automate processes which

would not be possible in a number of smaller disparate properties, helping them to improve their systems and reduce costs. Larger units also tend to be taller, allowing for mezzanine floors and more efficient automated racking and storage systems.

Another emerging impact of the COVID-19 pandemic is the alteration of business supply chains, following the disruption seen over the last few months. The reliance of many companies on the "Just-in-Time" supply model, with long, complex supply lines, is likely to reduce.

We understand that there is likely to be a renewed focus on relocating production, manufacturing and assembly closer to Europe from Asia, hence allowing more flexibility and control of shipping and distribution. We also expect to see companies holding higher levels of inventory, which will protect them from future supply shocks and disruption.

The need for sustainable assets

Sustainability is increasingly central to our tenants' corporate strategies, reflecting the potential cost savings, the desire to be good corporate citizens and the need to respond to growing consumer awareness of sustainability issues. By occupying assets built with state-of-the-art design and materials, and which incorporate low-carbon technologies and energy efficiency, they can minimise their environmental footprint and optimise their use of natural resources. Sustainable assets are also more attractive from an investment perspective, offering lower obsolescence, lower running costs and greater long-term appeal to occupiers and investors.

Supply remains constrained

In continental Europe, prime logistics locations are typically close to densely populated conurbations.

There are comparatively few sites in these locations which can accommodate very large logistics facilities and the associated requirements for labour, power and transport links. Municipalities are also often reluctant to zone for the largest properties, instead preferring to consent for smaller unit development.

At the same time, the difficulty of acquiring suitable new land for logistics means that many developers are exhausting their logistics land banks. These factors, combined with a lack of speculative development over the last decade, mean that occupiers have few choices.

The consequence is that logistics vacancies in continental Europe are at, or near, all-time lows.

European take-up and new completions

Take-up across Europe has been consistently strong since 2016, averaging 21 million sqm per annum as companies adjust their supply chains to adopt e-commerce. While the level of completions has increased as occupiers seek logistics buildings with the quality and standards to meet these operations, it has not kept up with the level of demand.

Rental growth is evident

Strong occupier demand and constrained supply, combined with rising land prices and raw material and labour costs, mean there is pressure for rents to increase. Until recently, falling investment yields meant developers could offset rising costs by selling the finished property at a higher value. However, as rental multiples in the sector plateau, developers are demanding higher rents to maintain their profitability on projects.

Approximately only 10% of total operational costs are accounted for by supply chain costs, and industry-standard metrics indicate that only 0.75% of total operational costs are logistics real estate occupancy (source: Savills). We believe, therefore, that occupiers have capacity to absorb higher rental costs as the economies and associated efficiency benefits, such as lower transportation costs, ensure that higher rental levels are sustainable in the longer term.

Improving lease terms

Another important effect now evident in some European markets is the improvement of lease terms in favour of the property owner. In most of Europe it is usual for there to be occupier-friendly lease clauses, such as restricted indexation provisions, expenditure which must be met by the landlord and options to renew leases on terms favourable to the occupier. Leases have also been relatively short, with a typical length of five years.

However, with strong demand for strategically important assets, occupiers are increasingly keen to retain long-term control of their properties, particularly given their often substantial investment in fitting out and automation. They are therefore signing longer leases to secure their occupation and amortise these costs over a longer period. Longer leases also suit international companies who want to harmonise their lease obligations across geographies. The trend to longer leases is evidenced by our portfolio, which has a weighted average unexpired lease term (WAULT) of 9.7 years.

This move towards longer leases is also expected to be reinforced after the COVID-19 crisis, as companies look to further secure their supply chains.

We are also increasingly able to negotiate better indexation clauses and more advantageous renewal options. These improvements in lease terms help to improve the value of the assets.

Investment demand is robust

The dynamics of the occupational market, despite any short-term COVID effects, mean that investment demand is strong and looks set to remain so. Competition has been fierce for openly marketed opportunities, so effective sourcing requires a different strategy, acquiring suitable assets directly from sellers. We expect a period of stability as the impact of the COVID-19 crisis is absorbed, and once investor confidence has been restored, we expect the positive sentiments surrounding the logistics markets to lead to renewed investment activity in the logistics sector.

European Logistics Offer Significant Yield Premium

Q1 2020 prime logistics yields remained stable across most markets. Despite continually falling yields in the logistics sector over the past years, these yields have maintained a constant yield premium over the risk-free European bond yield.

Hand picking a high-quality and well-diversified portfolio

During the period, we strengthened the Company's portfolio with the addition of two investments, at an aggregate cost of €104 million. We continued to exercise strong capital discipline, with these acquisitions having an average net initial yield of 5.3% and an average unexpired lease term of 4.5 years. Following these acquisitions, the Company has now substantially invested its available equity and debt capital. Since IPO, the Company has invested €772.9 million to acquire its portfolio of 12 prime income-producing assets.

Both the assets acquired in the period were classified as Value-Add, reflecting the asset management opportunities they present through leasing vacant units and developing unused land.

The property at Breda was our first acquisition in the key logistics market of the Netherlands. The second asset, in Poland, is in the core logistics location of Strykow, near Lodz.

When properties are acquired with vacant space, the Company aims at negotiating a rental guarantee to compensate for the lack of income, this may be either cash or non-cash. In the cases where a purchase of a property includes cover for a vacant period by way of a rental guarantee, the rental guarantee is recognised within Adjusted Earnings in line with our income focused strategy.

At the period end, in line with its investment strategy, the Company's portfolio was well diversified by building size and tenant, with assets situated in the core European countries of Belgium, Germany, Italy, the Netherlands, Poland and Spain.

The portfolio has several attractive characteristics.

Modern

The portfolio has several attractive characteristics. The assets are modern, with 86% (by income) of the portfolio having been built in the last four years. This helps to ensure that the buildings meet the latest operational and sustainability needs of occupiers.

Large

Significantly, the assets are large, with nearly 50% of the portfolio (by income) being in excess of 100,000 sqm and an average size of nearly 76,000 sqm.

As noted in the Chairman's Statement, we believe this is the largest average size in our sector and is an important advantage for the Company, given that occupier demand for logistics space is concentrated on these very large units and on the smaller "last mile" facilities, with lower demand for mid-sized boxes.

Income

The portfolio has been constructed to deliver secure, long-term and growing income. Around three quarters of the Company's 21 tenant partners are multi-billion Euro businesses, including some of the world's best-known companies. These businesses have strong balance sheets, helping them to navigate difficult economic circumstances, and they operate in a wide range of different industries.

The portfolio income is also secured on long leases. Nearly 90% of income is secured for five years or more, resulting in a weighted average unexpired lease term at the period end of 9.7 years, well ahead of the minimum targeted by the Company of five years. The unexpired lease terms at the period end ranged up to 16.7 years.

Some 95% of the Company's rent includes an element of annual indexation, with rental uplifts being either fixed or indexed to local inflation, 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.

Secure and diverse income[1]

1. Mango	19%
2. Amazon	15%
3. Action	10%
4. Castorama	8%
5. Cummins	8%
6. ID Logistics	6%
7. Avarto	5%
8. Hanseatische Immobilien	4%
9. HAVI	3%
10. Abbott	3%

Long-term income[1]

1. <5 years	13%
2. 5-10 years	48%
3. 10-15 years	20%
4. >15 years	19%

1 By Value

Growing income[2]

1. Fixed	23%
2. Index Linked	71%
3. No Uplift	6%

2 By Income

CAPTURING EMBEDDED VALUE

When sourcing acquisitions for the Company, we look favourably on assets that have embedded value creation potential, for example through leasing activity or utilising unused or adjacent land. We

work proactively with the Company's tenants 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.

Land sale

During the period, we completed the sale of a 16,400 sqm plot of non-core development land at Bornem, Belgium. This plot sat outside our core strategy, as it is better suited to smaller industrial unit development rather than large-scale logistics development. The sale receipt reflected a 53% net increase on the latest valuation.

Leasing opportunities

In January 2020, the Company completed a lease on the vacant unit of 8,335 sqm at its property in Bochum, Germany. The new lease is for a five-year term from 1 February 2020, at a headline rent which is some 7% higher than the previous rental guarantee and the passing rent at the neighbouring units, now demonstrating both the rental growth evident in this market and the reversionary potential of the remainder of the building. The lease contains attractive indexation provisions, with full annual indexation reflecting 100% of the German Consumer Price Index. The lease also further diversifies the Company's tenant base, adding Recht Logistik GmbH, an established German logistics and transportation company based in Nord Rhein Westphalia. The Bochum asset is now fully let.

As noted earlier, the Company has vacant space at both the assets acquired during the period in Breda and Strykow, and sees further value creation potential from leasing these units, which are currently subject to rental guarantees.

Expansion opportunities

In November 2019, the Company agreed to fund an 88,000 sqm extension to its global distribution centre at Lliçà d'Amunt, Barcelona, let to Mango, one of the world's leading fashion retailers. The capital commitment is estimated at €30.5 million and will generate an attractive yield on cost.

We expect construction to start no sooner than Autumn 2021, once all necessary permissions have been obtained and in line with Mango's strategic objectives and development programme. The extension forms part of accommodating the continued growth of Mango's global e-commerce operations, which is expected to further increase post COVID-19, combining the in-store and online fulfilment functions, increasing this facility's gross internal area to over 274,000 sqm.

On practical completion, which is targeted for Spring 2023, the extension will be incorporated into the existing full repairing and insuring lease that started in December 2016 on a 30-year term. The unexpired lease term on completion of the extension will be approximately 14 years to the first tenant break option in 2036, with further break options in 2039 and 2042. The rent is subject to annual upward-only indexation.

As part of the extension agreement, the Company and Mango will work together to optimise and reduce energy consumption within the existing building and the extension, to improve the property's environmental performance. The extension will therefore help to future-proof this high-specification asset, as well as improving rental income and its capital value.

Further asset management activity is expected across the portfolio, including agreeing pre-let developments on a number of zoned plots of unused land. These include the development land acquired with the asset at Strykow, Poland, where there is the potential to invest €15.0 million to fund

the construction of a building with a gross internal area of approximately 22,400 sqm. The Company has entered into a funding agreement with the vendor to bring forward this development.

In Belgium, assets at Bornem and Rumst have over 60,000 sqm of zoned land with potential to develop approximately a further 28,000 sqm of warehouse space.

In total, the pre-let development initiatives identified within the portfolio could add up to €6.1 million of annual income over the medium term.

Our big responsibility

Sustainability is increasingly central to our tenants' corporate strategies. We are committed to minimising the Company's environmental impact, while enhancing the lives of those who work in the Company's buildings and live in the surrounding communities. The Company therefore aims to own assets that are environmentally sustainable and promote healthy lives. Table 1 below shows the sustainability and energy performance rating of the assets.

Sustainable buildings are important to us and to our tenants as the lower required capex and lower energy consumption due to sustainable building materials not only improves our ecological footprint, but also will result in higher returns in the future.

During the period, we have continued to enhance the portfolio's sustainability performance. Examples include:

- agreeing a sustainable refurbishment and extension at the Barcelona asset let to Mango (see above);
- progressing with 4,193 mWh of renewable energy generation at 4 assets, following an assessment of the entire portfolio for the feasibility of installing photovoltaic panels;
- progressing LED lighting upgrades at Rumst A and B; and
- installing two electric car charging stations, a solar carport for power generation and energy controlling at the asset let to HAVI Logistics in Wunstorf, Germany.

As a result of our activities, 77% of the portfolio now has LED lighting.

We have also introduced nature and wellbeing measures at 64% of the portfolio. During the period, we installed a kestrel pole at Wunstorf for natural rodent control, as well as introducing beehives and a pool of bicycles for employees, so they could leave their cars at home.

Sustainability certified assets within our portfolio

Environmental legislative frameworks and EPC policies vary significantly across Europe. For example, currently Poland do not use a rating system and Belgium doesn't have legislation in place. However, we have good energy performance across the portfolio, as well as high Building Certifications in BREEAM and DGNB demonstrating the strong sustainability credentials of our assets.

Table 1

Country	Property	Tenant	Green Building Certificate
Spain	Barcelona	Mango	EPC A
Italy	Rome	Amazon	BREEAM Very Good
Belgium	Bornem	Various	None

Belgium	Rumst	Cummins	None
Germany	Peine	Action	DGNB Gold
Germany	Bochum	Various	In progress
Germany	Wunstorf	Havi	DNBG Gold
Poland	Lodz	Castorama	None
Germany	Hammersbach	ID Logistics	In progress
Germany	Bremen	Various	DGNB Gold
Poland	Strykow	Various	None
Netherlands	Breda	Abbott	BREEAM Very Good

Portfolio valuation

The portfolio was independently valued by JLL as at 31 March 2020, in accordance with the RICS Valuation - Global Standards. The portfolio's total value at the period end was €819.4 million[1] (30 September 2019: €691.7 million). This reflected a like-for-like valuation increase of 2.6% during the period. In line with market practice since the COVID-19 outbreak, the valuer's report noted material uncertainty relating to property valuations in the current environment. This uncertainty can arise from difficulties with inspecting properties due to the outbreak or reduced access to evidential data, such as comparable transactions. While all property valuations necessarily incorporate some uncertainty, the COVID-19 outbreak is unprecedented, and its full impact is not yet clear.

This valuation is calculated after an assumed €15.38 million of real estate transaction tax ("RETT"), which would arise if the assets were sold outside a corporate structure. It is market practice in Europe to buy and sell assets such as these via a corporate structure, in which case some or all of the RETT attributed to the portfolio would not be payable.

[1]*Including rental guarantees*

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. During the period, four of the five lenders agreed to a one-year extension of the facility. As a result, €100 million of debt matures in 2023, with the remaining €325 million now maturing in 2024. The facility is unsecured, providing operational flexibility for the Company.

At the period end, the Company had drawn €356.5 million against the RCF (30 September 2019: €235.5 million). This resulted in an LTV ratio of 41.8% at that date (30 September 2019: 33.3%). This compares with the medium-term target of 45% and the maximum permitted by the Company's investment policy of 50%.

The Company has considerable financial headroom. At the period end, the Company had €37.07 million of cash and €68.5 million undrawn against the RCF. The Company also has relatively limited future cash commitments. These comprise its operating expenses, which are more than covered by rent receipts, and a potential payment of €13.6 million at the earliest in September 2020 in relation to the development in Strykow, Poland, which is contingent on certain pre-let conditions being met. No funding for the extension to the Barcelona property is due before September 2021.

The Company's primary debt covenants relate to LTV (maximum of 65%), interest cover (minimum of 1.5 times) and gearing ratio (maximum of 150%). LTV as at balance sheet date was 41.8% (see Key Performance Indicators) (43.6% as per Debt agreement definition), interest cover for the period was 4.95 times (3.45 times as per Debt agreement definition) and gearing ratio was 72.5%. The Company is therefore in a robust financial position.

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 84% of debt being subject to interest cap, with a total weighted average interest cap of 0.67%.

FINANCIAL RESULTS

Comparative period

The comparative period for this set of results is the six months from 1 July 2018 to 31 December 2018. Given the growth in the portfolio since that period, it is not meaningful to draw comparisons between items in the income statement. The commentary below therefore considers financial performance in the current period on a standalone basis.

Performance

Rental income for the period was €17.41 million (December 2018: €4.94 million).

The Company's operating and administrative costs were €5.00 million (December 2018: €1.81 million), which primarily comprised:

- the Management Fee payable to the Manager of €2.07 million (December 2018: €0.90 million) which includes all asset management costs, and is reduced by all non-recoverable property management costs;
- 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 running costs, including accounting, tax and audit; and
- the Directors' fees.

The EPRA cost ratio was 30.2% (December 2018: 37.6%). We expect the EPRA cost ratio to decrease over time, as the portfolio grows and the Company benefits from economies of scale.

Total interest expenses for the period were €3.47 million (December 2018: €0.68 million) representing a weighted average cost of debt of 2.32%.

The profit before tax for the period was €27.82 million (December 2018: a loss of €6.44 million), with Adjusted Earnings for the period of €9.49 million (December 2018: €1.39 million).

The current taxation charge for the period was 0.81% of the Company's net property income. This charge for the period is exceptionally low, due to conservative assumptions in the prior year and the utilisation of tax losses.

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.

Basic earnings per share ("EPS") for the period was 5.32 cents (December 2018: (loss of 2.29 cents). EPRA EPS, which excludes the valuation movement, was 1.76 cents (December 2018: 0.63 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 are not going through the IFRS Comprehensive Income, including rental guarantee or licence fee. Adjusted EPS for the period was 2.25 cents (December 2018: 0.48 cents). More information about the calculation of basic, EPRA and adjusted EPS can be found in note 7 to the financial statements.

Dividends

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

Declared	**Amount per share**	**In respect of three months to**	**Paid/to be paid**
10 December 2019	1.00 cent	1 July to 30 September 2019	15 January 2020
14 February 2020	1.10 cents	1 October 2019 to 31 December 2019	27 March 2020
19 May 2020	1.10 cents	1 January 2020 to 31 March	15 June 2020

The total dividend for the period was €9.30 million and was 102.1% covered by adjusted earnings of €9.49 million.

Cash flow

The Company benefits from stable, growing and long-term cash flows. Cash from operations in the period was a net inflow of €16.92 million (December 2018: net outflow of €6.98 million).

Net assets

The EPRA NAV per share at 31 March 2020 was €1.19 (30 September 2019: €1.15), after adjusting for the deferred tax and fair value adjustments recognised against our interest rate derivatives. The basic NAV per share at that date was €1.16 (30 September 2019: €1.13).

Related-party transactions

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

LOOKING FORWARD

The Company is in a strong position to navigate the impact of the COVID-19 pandemic. It has a portfolio of outstanding assets let to robust tenants and has considerable headroom within its debt facilities and covenants, as well as cash on the balance sheet at the period end. None of the Company's debt facilities are due for refinancing before 2023. The Company's financial structure has been designed to benefit from economies of scale and we aim to help the Company achieve critical scale, when capital market conditions allow it to resume its growth strategy.

From a debt perspective, the Company will aim to obtain a credit rating in the short to medium term. An investment grade rating would automatically reduce the cost of debt by 25 to 30 basis points (dependant on LTV) under the current terms of the RCF. It should also open new borrowing possibilities, including access to the bond markets.

Nick Preston
Fund Manager

KEY PERFORMANCE INDICATORS

KPI and definition	Relevance to strategy	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. The Company's dividend target set at IPO is, once fully invested and geared, 4.75% per annum by reference to the IPO issue price, equating to 5.37 cents per annum.	2.20 cents/share for the six months to 31 March 2020 (31 December 2018: 0.40 cents/share)
2. Total Return (TR) TR reflects the change in the EPRA net asset value 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 is 9% per annum.	5.7% for the six months to 31 March 2020 (31 December 2018: 1.0%)
3. Basic Net Asset Value Net asset value in IFRS GAAP.	Basic Net Asset Value is the net value of the Company under IFRS.	€490.88m/ €1.16/share as at 31 March 2020 (€477.27m/€1.13/share as at 30 September 2019)
4. Adjusted Earnings Per Share (EPS) Post-tax adjusted EPS attributable to shareholders, adjusted for other earnings not supported by cash flows	Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.	€9.49m/2.25 cents/share for the six months to 31 March 2020 (31 December 2018: €1.39m/0.48 cents/share)

or not included in IFRS Comprehensive Income. See note 7.		
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 maintains a conservative level of aggregate borrowings, with a medium-term LTV target of 45% and a limit of 50% (in each case, calculated at the time of borrowing).	41.8% at 31 March 2020 (30 September 2019: 33.3%)
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, as long lease terms underpin the security of our income stream. We look to maintain a WAULT of greater than five years across the portfolio, reflecting the typical lease lengths in continental Europe.	9.7% years at 31 March 2020 (30 September 2019: 11.0 years)
7. **Dividend cover** Dividends paid and proposed to shareholders in relation to the financial period, as a percentage of adjusted earnings.	Dividend cover is an indication of how sustainable a dividend is.	102.1% for the six months to 31 March 2020 (31 December 2018: 115.4%)
8. **Interest cover** The ratio of net property income to the interest incurred in the period.	Interest cover is a measure of our ability to meet our interest payments.	4.95% times for the six months to 31 March 2020 (31 December 2018: 7.2 times)
9. **Like-for-like rental growth** The growth in the net rental income of the element of the portfolio that has been consistently in operation and not under development during the two full preceding periods.	Like-for-like rental growth measures our ability to grow our rental income over time.	1.7%/€0.42m This is comparing the annualised passing rent at the Balance Sheet date against the annualised passing rent at previous interim date December 2018

EPRA PERFORMANCE INDICATORS

KPI and definition	Relevance to strategy	Performance
1. **EPRA NAV**	The EPRA NAV reflects our ability to grow the portfolio and	€502.97m/ €1.19/share as at 31 March 2020

Basic NAV adjusted for mark-to-market valuation of derivatives.	to add value to it throughout the lifecycle of our assets.	(30 September 2019: €484.21m/€1.15/share)
2 **EPRA Earnings** Earnings from operational activities.	A key measure of the Group's underlying results and an indication of the extent to which current dividend payments are supported by earnings.	€7.45m/ 1.76 cents/share for the six months period to 31 March 2020 (31 December 2018: €1.82m/0.63 cents/share)
3. **EPRA Net Initial Yield (NIY)** Annualised rental income based on the 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.	This measure should make it easier for investors to judge for themselves how the valuations of portfolios compare.	4.1% as at 31 March 2020 (30 September 2019: 4.5%)
4. **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 how the valuations of portfolios compare.	4.7% as at 31 March 2020 (30 September 2019: 4.8%)
EPRA Vacancy Rate Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	A "pure" (%) measure of investment property space that is vacant, based on ERV.	5.5% for the six months period to 31 March 2020 (31 December 2018: 6.0%)
EPRA Cost Ratio Administrative and operating costs (including 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.	30.2% for the six months period to 31 March 2020 (31 December 2018: 37.6%)
9. **EPRA Triple Net Asset Value (NNNAV)** EPRA NAV adjusted to include the fair values of (i) financial instruments, (ii) debt and (iii) deferred taxes.	Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of all the assets and liabilities within a real estate company.	€490.88m/ €1.16/share as at 31 March 2020 (30 September 2019: €477.27m/€1.13/share)

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 96 to 101 of our 2019 Annual Report,

dated 9 December 2019, 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 global economy and financial markets are currently being severely impacted by the COVID-19 pandemic. This is likely to have an adverse effect on the magnitude and/or likelihood of a number of the principal risks set out below, particularly in respect of our property, operational and financial risks.

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.

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, including Brexit, 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.

2. The economy in Europe may be impacted or demand for European property may decrease, leading to potentially lower valuations.

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 IAS 34 Interim Financial Reporting as adopted by the EU;
- 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 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 18 May 2020

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 2020 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 2020 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU 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.

Emphasis of matter – material valuation uncertainty

We draw attention to note 9 to the condensed financial statements which states that the external valuation of the Group's investment properties is reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global and consequently that less certainty should be attached to the valuation than would normally be the case.

Our conclusion is not modified in respect of this matter.

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. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted by the EU.

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

19 May 2020

Condensed Group Statement of Comprehensive Income for the period from 1 October 2019 to 31 March 2020

	Note	Period from 1 October 2019 to 31 March 2020 (unaudited) €m	Period from 1 July 2018 to 31 December 2018 (unaudited) €m
Rental income	4	**17.41**	4.94
Service charge income	4	**2.60**	0.46
Other income	4	**0.17**	–
Gross property income	4	**20.18**	5.40
Direct property costs		**(3.02)**	(0.51)
Net property income		**17.16**	4.89
Fair value gain/(loss) on investment properties	9	**19.35**	(8.04)
Gain on disposal of investment property		**0.81**	–
Administrative and other expenses		**(5.00)**	(1.81)
Operating profit/(loss)		**32.32**	(4.96)
Finance expense	5	**(4.61)**	(1.13)
Effect of foreign exchange differences		**0.04**	–
Changes in fair value of interest rate derivatives	13	**0.07**	(0.35)
Profit before taxation		**27.82**	(6.44)
Taxation	6	**(5.35)**	(0.18)
Profit/(loss) for the period		**22.47**	(6.62)
Total comprehensive income/(loss) for the period attributable to:			

	Note		
Shareholders of the Company		**22.47**	(6.56)
Non-controlling interests	19	**–**	(0.06)
		22.47	(6.62)
Earnings Per Share (EPS) (expressed in cents per share)			
EPS – basic and diluted	7	**5.32**	(2.29)

Condensed Consolidated Statement of Financial Position as at 31 March 2020

	Note	**31 March 2020 (unaudited) €m**	30 September 2019 (audited) €m
Non-current assets			
Investment properties	9	**816.25**	687.58
Derivative financial instruments	13	**0.19**	0.12
Trade and other receivables	10	**1.17**	1.17
Deferred tax assets		**1.07**	0.59
Total non-current assets		**818.68**	689.46
Current assets			
Assets held-for-sale	9	**–**	1.52
Trade and other receivables	10	**21.14**	31.75
Cash and cash equivalents		**37.07**	17.90
Total current assets		**58.21**	51.17
Total assets		**876.89**	740.63
Current liabilities			
Trade and other payables		**(13.40)**	(16.72)
Income tax liability		**(0.57)**	(1.06)
Total current liabilities		**(13.97)**	(17.78)
Non-current liabilities			
Loans and borrowings	11	**(352.66)**	(231.95)
Deferred tax liabilities		**(10.40)**	(5.18)
Other liabilities	12	**(7.81)**	(7.28)
Tenant deposit		**(1.17)**	(1.17)
Total non-current liabilities		**(372.04)**	(245.58)
Total liabilities		**(386.01)**	(263.36)
Net assets		**490.88**	477.27
Equity			
Share capital	15	**4.23**	4.23
Share premium reserve		**131.23**	131.21
Retained earnings		**355.42**	341.83
Total equity		**490.88**	477.27
Net Asset Value (NAV) per share (expressed in Euro per share)			
Basic NAV	16	**1.16**	1.13
EPRA NAV	16	**1.19**	1.15

Condensed Group Statement of Changes in Equity

(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
Net profit for the period		–	–	22.47	22.47
Total comprehensive income		–	–	22.47	22.47
Contributions and distributions:					
Associated share issue costs		–	0.02	–	0.02
Dividends paid		–	–	(8.88)	(8.88)
Total contributions and distributions		–	–	(8.88)	(8.88)
At 31 March 2020		**4.23**	**131.23**	**355.42**	**490.88**

(Audited)	Note	Share capital €m	Share premium €m	Retained earnings €m	Total €m
At 1 July 2018		0.06	–	–	0.06
Net profit for the period		–	–	20.72	20.72
Total comprehensive income		–	–	20.72	20.72
Contributions and distributions:					
New share capital subscribed		4.23	470.10	–	474.33
Associated share issue costs		–	(9.35)	–	(9.35)
Share premium cancelled by special resolution		–	(329.54)	329.54	–
Cancellation of preference shares	15	(0.06)	–	–	(0.06)
Dividends paid	8	–	–	(8.43)	(8.43)
Total contributions and distributions		4.17	131.21	321.11	456.49
At 30 September 2019		**4.23**	**131.21**	**341.83**	**477.27**

(Unaudited)	Note	Share capital €m	Share premium €m	Retained earnings €m	Non-controlling interest €m	Total €m
At 1 July 2018		0.06	–	–		0.06
Loss for the period		–	–	(6.56)	(0.06)	(6.62)
Total comprehensive income		–	–	(6.56)	(0.06)	(6.62)
Contributions and distributions:						
New share capital subscribed		3.00	336.33	–	–	339.33
Associated share issue costs		–	(6.79)	–	–	(6.79)
Share premium cancelled by special resolution		–	(329.54)	329.54	–	–
Cancellation of preference shares	15	(0.06)	–	–	–	(0.06)
Non-controlling interest in acquisition of subsidiary	19	–	–	–	1.69	1.69
Total contributions and distributions		2.94	–	329.54	1.69	334.17
At 31 December 2018		**3.00**	**–**	**322.98**	**1.63**	**327.61**

The 1 cent shares listed on the Main Market of the London Stock Exchange on 9 July 2018 were issued for €1.13 (or £1.00). Following a Special Resolution of Tritax EuroBox plc the High Court

cancelled this share premium on 25 September 2018. This resulted in the full balance being transferred into distributable reserves.

Condensed Group Cash Flow Statement

For the period from 1 October 2019 to 31 March 2020

	Note	**Period from 1 October 2019 to 31 March 2020 (unaudited) €m**	Period from 1 July 2018 to 31 December 2018 (unaudited) €m
Cash flows from operating activities			
Profit/(loss) for the period		**22.47**	(6.62)
Gain on disposal		**(0.81)**	-
Changes in fair value of investment properties		**(19.35)**	8.04
Changes in fair value of interest rate derivatives		**(0.07)**	0.35
Tax expense		**4.88**	0.18
Finance expense		**3.96**	1.12
Accretion of tenant lease incentive	4	**(1.26)**	-
Decrease/(increase) in trade and other receivables		**10.78**	(27.51)
(Decrease)/increase in trade and other payables		**(3.68)**	17.46
Cash generated from operations		**16.92**	(6.98)
Tax paid		**(0.63)**	(0.21)
Interest paid		**-**	(0.40)
Net cash flow generated by/(used in) operating activities		**16.29**	(7.59)
Investing activities			
Purchase of investment properties		**(101.05)**	(478.27)
Disposal of assets held-for-sale		**2.33**	-
Improvements to investment properties and development expenditure		**(6.47)**	-
Net cash flow used in investing activities		**(105.19)**	(478.27)
Financing activities			
Proceeds from issue of Ordinary Share capital		**-**	339.33
Cost of share issues		**0.02**	(6.79)
Loans received	11	**121.00**	174.00
Loan arrangement fees paid	11	**(0.73)**	(2.60)
Loan interest paid		**(3.37)**	-
Interest rate cap premium paid	13	**-**	(1.85)
Non-controlling interest		**-**	1.69
Dividends paid to equity holders	8	**(8.88)**	-
Net cash flow generated from financing activities		**108.04**	**503.78**
Net movement in cash and cash equivalents for the period		**19.14**	17.92
Cash and cash equivalents at start of the period		**17.90**	-
Unrealised foreign exchange gains		**0.03**	-
Cash and cash equivalents at end of the period		**37.07**	17.92

Notes to the Consolidated Accounts

1. Basis of preparation

These condensed financial statements for the six months ended 31 March 2020 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim Financial Reporting', as adopted by the European Union. They were approved for issue on 18 May 2020. 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 2019 for the Condensed Consolidated Statement of Financial Position or 31 December 2018 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 July 2018 to 30 September 2019 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 18 months from 31 March 2020 of these condensed 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 2020 and the top 5 tenants together represent 64%.

As at the date of approval of these condensed financial statements, the Group has not experienced a significant increase in rent arrears compared to the equivalent period last year. However, as a result of Covid-19, a number of the Group's tenants have requested deferral or a re-profiling of rent payments. Such requests are considered on a case by case basis and based on the merits of such request and the circumstances of the tenant.

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 35% of rental income is unpaid for an 18 months' duration, which forecasts 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 has an unsecured revolving credit facility, which does not require any repayment until 2023. 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 most recent valuation the Group retained headroom against a covenant limit, reporting 44% 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 73% 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 345% against the limit of 150%.

As a result of the above considerations the Directors have prepared these 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. Under IFRS 3, a business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants. A business will usually consist of inputs, processes and outputs. Therefore, the Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property.

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.

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 July 2017 ("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 2019 and are expected to be applied consistently during the year ending 30 September 2020. The following accounting policies have been adopted during this period.

3.1. Put option liabilities

Liabilities for put options held by non-controlling interests are initially and subsequently recognised at the present value of the exercise price of the option. This is taken to be the non-controlling interests proportionate share of the current market value of investment property, the carrying amount of other net assets plus the present value of anticipated payments to be made by the Group under dividend guarantees to the non-controlling interest.

Changes in the carrying amount of the put liability are recognised within finance expenses in the Group Statement of Comprehensive Income.

3.2. Standards in issue and effective from 1 January 2019

IFRS 16: Leases

The Directors have assessed the impact on the financial statements of this standard. As the Group does not hold any material operating or leasehold agreements as lessee, the impact of IFRS 16 is immaterial.

IFRIC 23: Uncertainty over income tax treatments

The Directors have considered the impact on the financial statements of this standard. There is no material impact to the Group as a result of the recognition and measurement requirements of IFRIC 23.

3.3. New standards issued but not yet effective

Amendments to IFRS 3 Business Combinations (subject to EU endorsement) effective for financial years commencing on or after 1 January 2020 provides a revised framework for evaluating a business and introduces an optional 'concentration test'. The amendment will impact 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 IAS 1 Presentation of Financial Statements effective for financial years commencing on or after 1 January 2020 are designed to address concerns about existing presentation and disclosure requirements and to encourage entities to use judgement in the application of IAS 1 when considering the layout and content of their financial statements. The amendments clarify the definition of material and how it should be applied. It is expected that the amendments will not have a significant impact on the entity's financial statements. However, it could potentially impact how materiality judgements are made in practice, by elevating the importance of how the information is organised in the financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards were endorsed by the European Commission for use in the European Union. The effective date is for annual periods beginning on or after 1 January 2020. 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.

4. Gross property income

	Period from 1 October 2019 to 31 March 2020 (unaudited) €m	Period from 1 July 2018 to 31 December 2018 (unaudited) €m
Rental income	**16.15**	4.49
Spreading of tenant incentives	**1.26**	0.45
Gross rental income	**17.41**	4.94
Service charges recoverable	**2.60**	0.46
Other income	**0.17**	-
Gross property income	**20.18**	5.40

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 2020	**2.92**	**6.57**	**4.18**	**3.53**	**2.64**	**0.34**	**20.18**
Period ended 31 December 2018	0.88	0.67	2.25	1.60	–	–	5.40

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 2020	**37.14**	**37.76**	**37.79**	**36.87**	**34.65**	**205.57**	**389.78**
31 December 2018	21.73	24.04	24.08	24.14	23.67	195.11	312.77

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 (€3.82 million, €3.09 million and €2.02 million). As at 31 March 2020, three tenants represented more than 10% of passing rent.

5. Finance expense

	Period from 1 October 2019 to 31 March 2020	Period from 1 July 2018 to 31 December 2018

	(unaudited) **€m**	(unaudited) €m
Interest payable on loans and bank borrowings	**2.58**	0.52
Commitment fees payable on bank borrowings	**0.89**	0.16
Loss on remeasurement of put option	**0.64**	–
Bank fees	**0.06**	0.36
Amortisation of loan arrangement fees	**0.44**	0.09
Total finance expense	**4.61**	1.13

The total interest payable on financial liabilities carried at amortised cost comprises interest and commitment fees payable on bank borrowings of €3.47 million and amortisation of loan arrangement fees of €0.44 million. The amount capitalised into the loan in the period for the former was nil and €0.73 million for the latter (see note 11).

6. Taxation

Tax charge in the Group Statement of Comprehensive Income

	Period from 1 October 2019 to 31 March 2020 (unaudited) **€m**	Period from 1 July 2018 to 31 December 2018 (unaudited) €m
Current taxation:		
UK taxation	**-**	-
Overseas taxation	**0.14**	0.18
Deferred taxation:		
UK taxation	**-**	-
Overseas taxation	**5.21**	-
Total tax change	**5.35**	0.18

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 2020 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 2020 (unaudited)	Net 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 12)	**(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 investment properties.

The calculation of EPS is based on the following:

For the period ended 31 December 2018 (unaudited)	Net (loss)/profit attributable to Ordinary Shareholders €m	Weighted Average number of Ordinary Shares[1] '000	Earnings per share Cent
Basic EPS	**(6.57)**	**286,885**	**(2.29)**
Adjustments to remove:			
Changes in fair value of investment properties (note 9)	8.04		
Changes in fair value of interest rate derivatives (note 12)	0.35		
EPRA EPS	**1.82**	**286,885**	**0.63**
Adjustments to include/(exclude):			
Rental income recognised in respect of fixed uplifts	(0.60)		
Amortisation of loan arrangement fees	0.09		
Rental guarantee receipts excluded from property income[2]	0.08		
Adjusted EPS	**1.39**	**286,885**	**0.48**

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.

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 distributable income 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

	Period 1 October 2019 to 31 March 2020 €m	Period from 1 July 2018 to 31 December 2018 €m
Final dividend in respect of period ended 30 September 2019 at 1.00 cent per Ordinary Share (30 June 2018: nil)	**4.23**	-
First interim dividend in respect of year ended 30 September 2020 at 1.10 cent per Ordinary Share (30 June 2018: nil)	**4.65**	-
Total dividends paid	**8.88**	-
Total dividends paid for the period	**2.10 cent**	Nil cent
Total dividends unpaid but declared for the period	**1.10 cent**	0.40 cent
Total dividends declared for the period	**2.20 cent**	0.40 cent

On 19 May 2020, the Directors of the Company declared a second interim dividend in respect of the year ended 30 September 2020 of 1.10 cent per Ordinary Share, which will be payable on or around 15 June 2020 to Shareholders on the register on 29 May 2020.

Out of €9.30 million dividends declared for the period, none 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 July 2017 ("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 were acquired:

Location	Date acquired
Breda, the Netherlands§	23 December 2019
Strykow Lodz, Poland§	3 February 2020

§ Acquired based on asset deal.

	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	**105.22**	**–**	**105.22**
Improvements to investment properties	**0.35**	**–**	**0.35**
License fees and rental guarantees recognised	**(3.90)**	**–**	**(3.90)**
Development expenditure	**–**	**6.22**	**6.22**
Fixed rental uplift and tenant lease incentives[1]	**1.71**	**–**	**1.71**
Amortisation on rental uplift and tenant lease incentives[1]	**(0.28)**	**–**	**(0.28)**
Transfer from investment properties under construction to completed	**28.05**	**(28.05)**	**-**
Change in fair value during the period[2]	**19.35**	**-**	**19.35**
As at 31 March 2020	**816.25**	**-**	**816.25**

1 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 or lease break. The difference between this and cash receipts changes the carrying value of the property against which revaluations are measured (also see note 6).

2 Included in the fair value change in the period were unrealised gains of €20.55 million and unrealised losses of €1.20 million.

	Investment properties completed €m	Investment properties under construction €m	Investment properties Total €m
At 1 July 2018	**–**	**–**	**–**
Acquisition of properties	**649.00**	**5.22**	**654.22**
Improvements to investment properties	**0.72**	**–**	**0.72**
License fees and rental guarantees	**(2.59)**	**(1.37)**	**(3.96)**
Development expenditure	**–**	**16.28**	**16.28**
Fixed rental uplift and tenant lease incentives[1]	**4.24**	**–**	**4.24**
Amortisation on rental uplift and tenant lease incentives[1]	**(0.25)**	**–**	**(0.25)**
Transfer to assets held-for-sale[2]	**(1.52)**	**–**	**(1.52)**
Change in fair value during the period[3]	**16.15**	**1.70**	**17.85**
As at 30 September 2019	**665.75**	**21.83**	**687.58**

1 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 or lease break. The difference between this and cash receipts changes the carrying value of the property against which revaluations are measured (also see note 6).

2 The Group has identified one of its investment properties as held-for-sale in accordance with IFRS 5. The carrying value at the Balance Sheet date was €1.52 million (2018: €nil).

3 Included in the fair value change in the period were unrealised gains of €45.53 million and unrealised losses of €27.68 million.

	31 March 2020 €m	30 September 2019 €m
Investment properties in Balance Sheet	**816.25**	687.58
Assets held-for-sale	**–**	1.52
Rental guarantee held in separate receivable	**3.13**	2.57
Total external valuation of investment properties	**819.38**	691.67

As at 31 March 2020, the Group had no capital commitments in relation to forward funded pre-let development assets (30 September 2019: €5.99 million). The Group agreed terms to extend the Barcelona and Strykow assets for €30.5 million and €13.6 million respectively, subject to certain conditions being met. 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 risk

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.

In particular, the outbreak of the Coronavirus (COVID-19), declared by the World Health Organization as a "Global Pandemic" in March 2020 has impacted global financial markets and global economy. The unknown future impact that COVID-19 might have on the real estate market led to the valuations to be reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global, given the unknown future impact that COVID-19 might have on the real estate market. Consequently, less certainty should be attached to the valuation than would normally be the case.

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.

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.

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.

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: 4.68% or range: 4.12%-5.88%).

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

	-0.50% net initial yield €m	-0.25% net initial yield €m	+0.25% net initial yield €m	+0.50% net initial yield €m	-5.00% ERV €m	+5.00% ERV €m
(Decrease)/increase in the fair value of investment properties as at 31 March 2020	**98.45**	**46.40**	**(41.56)**	**(79.07)**	**(19.03)**	**19.08**

10. Trade and other receivables

Non-current trade and other receivables	31 March 2020 (unaudited) €m	30 September 2019 (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 2020 (unaudited) €m	30 September 2019 (audited) €m
Trade receivables	**1.86**	1.97
Prepayments, accrued income and other receivables	**8.14**	7.39
Escrow cash	**–**	6.79
VAT receivable*	**11.14**	15.60
	21.14	31.75

* VAT receivable relates mainly to VAT reclaim due on the purchase of the property in Italy €9 million (30 September 2019: €12 million).

11. Loans and borrowings

As at 31 March 2020, all of the Group's debt facility commitments are floating term. The LTV across all drawn debt was 44% 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 €68.50 million under its bank borrowings (30 September 2019: €189.50 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 2020 (unaudited) €m	30 September 2019 (audited) €m
Bank borrowings at the beginning of the period	**231.95**	–
Bank borrowings drawn in the period	**121.00**	321.00
Bank borrowings repaid in the period	**-**	(85.50)
Loan issue costs paid	**(0.73)**	(4.03)
Non-cash amortisation of loan issue costs	**0.44**	0.48

Non-current liabilities: loan and borrowings	**352.66**	231.95

Maturity of loans and borrowings

	31 March 2020 (unaudited)		
	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	**83.88**	**16.12**	**100.00**
Repayable between four and five years	**272.62**	**52.38**	**325.00**
Repayable in over five years	**–**	**–**	**–**
	356.50	**68.50**	**425.00**

Maturity of loans and borrowings

	30 September 2019 (unaudited)		
	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	–	–	–
Repayable between four and five years	235.50	189.50	425.00
Repayable in over five years	–	–	–
	235.50	189.50	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 2019: €2.47 million).

	31 March 2020 (unaudited) €m	30 September 2019 (audited) €m
As at 1 October 2019	**0.12**	–

Interest rate cap premium paid	**–**	2.47
Fair value movement	**0.07**	(2.35)
Non-current assets: interest rate derivatives	**0.19**	0.12

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 84% (30 September 2019: 127%). The percentage for September 2019 was above 100% due to the feature of the bank debt which allows flexible drawdown/repayment. This allows the Company to manage its treasury in the context of timing difference between an equity raise and an equity deployment.

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), credit risk and liquidity 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 decrease of €0.65 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:

Total assets	Belgium	Germany	Spain	Italy	Poland	UK	The Netherlands	Total
31 March 2020 (unaudited)	**92.55**	**290.76**	**162.44**	**147.32**	**119.09**	**12.49**	**52.24**	**876.89**
30 September 2019 (audited)	91.50	273.65	163.03	146.64	63.47	2.34	–	740.63

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).

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 2020 Number**	31 March 2020 €m	30 September 2019 Number	30 September 2019 €m
Issued and fully paid at 1 cent each				
Balance at beginning of period – €0.01 Ordinary Shares	**422,727,273**	4.23	1	-
Shares issued in the period	**-**	-	422,727,272	4.23
Balance at end of period	**422,727,273**	4.23	422,727,273	4.23

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

The 1 cent shares listed on the Specialist Fund Segment of the Main Market of the London Stock Exchange on 9 July 2018 were issued for €1.13 (or £1.00). Following a Special Resolution of Tritax EuroBox plc, an application was made to the High Court to cancel the share premium, which was granted on 25 September 2018. This resulted in the full balance being transferred into distributable reserves.

On 29 May 2019, the Group increased its share capital by another 122,727,273 Ordinary Shares for €1.10 or £0.97 each. As a result, the Group's issued share capital increased to 422,727,273 Ordinary Shares with voting rights.

Preference Shares	**31 March 2020 Number**	**31 March 2020 €m**	30 September 2019 Number	30 September 2019 €m

Issued and fully paid at €1 each				
Balance at beginning of period – €1.00 Preference Shares	–	–	57,100	0.06
Shares issued in the period	–	–	–	–
Shares cancelled in the period	–	–	(57,100)	(0.06)
Balance at end of period	–	–	–	–

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.

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 dilutive instruments outstanding basic NAV per share is shown below:

	31 March 2020 (unaudited) €m	30 September 2019 (audited) €m
Net assets per Group Statement of Financial Position	**490.88**	477.27
Adjustments to calculate EPRA NAV:		
Changes in fair value of interest rate derivatives	**2.28**	2.35
Deferred tax adjustment	**9.81**	4.59
EPRA NAV	**502.97**	484.21
Ordinary Shares:		
Issued share capital (number)	**422,727,273**	422,727,273
NAV per share (expressed in Euro per share)		
Basic NAV per share	**1.16**	1.13
EPRA NAV per share	**1.19**	1.15

17. Transactions with related parties

For the period ended 31 March 2020, all Directors and 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 2020 was €2.07 million (period ended 31 December 2018: €0.90 million).

The total amount outstanding at the period end relating to the Investment Management Agreement was €0.97 million (30 September 2019: €1.06 million).

The total amounts paid to Directors for their services for the period to 31 March 2020 was €0.1 million (31 December 2019: €0.1 million).

The 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 2020 (period ended 31 December 2018: €0.59 million) in respect of agency services. The agency fees payable to SG Commercial LLP represents 0% (31 December 2018: 19%) of the agency fees payable by the Group during the period. There were no fees outstanding as at 31 March 2020 and 30 September 2019.

During the period the Directors received the following dividends: Robert Orr: €420, Keith Mansfield: €4,990, Taco De Groot: €525 and Eva-Lotta Sjostedt: €nil. None of the Directors received any dividends in the period from 1 July 2018 to 31 December 2018. Nick Preston, the Fund Manager received €1,410 during the period (none in the period from 1 July 2018 to 31 December 2018).

During the period the six Members of the Manager received the following dividends: Colin Godfrey: €2,835, Mark Shaw: €2,835, James Dunlop: €2,835, Henry Franklin: €1,901, Petrina €452 and Bjorn €452. None of these Members received any dividends in the period from 1 July 2018 to 31 December 2018.

On 5 February 2020 the Manager has acquired in the market 116,416 Ordinary Shares at 90.2 pence per share on behalf of certain member of staff of the Manager.

18. Subsequent events

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

19. Accounting for non-controlling interest ("NCI")

The total comprehensive loss attributable to the NCI of €0.06 million and the NCI in acquisition of subsidiaries of €1.69 million as stated in the Condensed Consolidated Statement of Changes in Equity for the period 31 December 2018 have since been derecognised. Prior to 31 December 2018 these non-controlling shareholders of certain Group's subsidiary were granted put options that convey to those shareholders the right to sell their shares in that subsidiary to the Group for an exercise price. In such case, written put options meet the definition of a financial liability, and are therefore recognised as such. The put option liability was recognised in the Consolidated Statement of Financial Position as of 30 September 2019 and 31 March 2020. The Group has adopted an accounting policy of the anticipated-acquisition method whereby the purchase of the put option is effectively assumed to have been exercised and hence the NCI is not recognised. The NCI of €1.63 million as stated in the Condensed Statement of Financial Position at 31 December 2018 has therefore been subsequently derecognised and an other liability of €1.63 million in respect of the put option has been recognised (see note 12). As a result, the Group's total equity has reduced by €1.63 million but the equity due to shareholders of the Company is unchanged. There has been no other impact on the Group's total comprehensive income for the comparative period attributable to the Shareholders, Earnings Per Share (Basic, Adjusted and EPRA), and on the Group's NAV per share. The comparative information in Condensed Group Statement of Comprehensive Income and Condensed Consolidated Statement of Changes in Equity for the period 31 December 2018 was not adjusted as the impact is not significant.