



CTP N.V. Q1 2022 TRADING UPDATE

CTP REPORTS SOLID LIKE-FOR-LIKE RENTAL GROWTH OF 4.8%¹ IN Q1 2022 REFLECTING STRONG OCCUPATIONAL DEMAND IN SUPPLY CONSTRAINED CORE CEE MARKETS

AMSTERDAM, 18 May 2022 - CTP N.V. (CTPNV.AS), ('CTP' or the 'Company') Continental Europe's largest owner, developer and manager of high quality industrial and logistics real estate by gross lettable area (GLA), reported strong like-for like rental growth of 4.8%¹ in the first quarter, across its investment portfolio in European markets. Net rental income rose 37% to €107.2 million in the first three months of 2022, compared with €78.1 million in the same period of last year. For projects under construction at the period end, CTP's market leading yield-on-cost was a solid 10.2%. The Group's owned investment property portfolio grew to 9.3 million sqm of GLA following the integration of Deutsche Industrie REIT-AG into CTP's consolidated financial and operational metrics in February 2022.

Remon Vos, CEO said: "We entered 2022 focused on capitalising on the significant expansion momentum the Group achieved last year but are now closely monitoring for any impact arising from the accelerating macroeconomic headwinds and the war in Ukraine. To-date, CTP has not experienced any material effects following Russia's invasion on 24 February, however, the conflict has compounded construction supply chain disruptions that arose during the pandemic and ignited inflation to the highest levels in decades. We have been largely able to mitigate rising costs thanks to our in-house construction team, centralised procurement capabilities and ability to offset inflationary pressures through increased rents both on new developments and within our standing portfolio.

Looking forward, we remain confident the European industrial and logistics sector will continue to benefit from positive tailwinds as occupiers seek to enhance the resilience of their regional and national supply chains, through nearshoring operations as well as maintaining higher levels of stocks close to their main markets, which will underpin demand for space. This durable demand for high quality assets from a diverse range of occupiers, combined with historically low vacancy rates in supply constrained markets, is now translating into meaningful rental growth across the CTP portfolio. Equally, we believe the European industrial and logistics sector continues to offer significant development potential, with structurally higher rates of long-term economic growth projected for our core CEE markets in particular."

Key Highlights

	3 months to 31 March 2022 ('000)	3 months to 31 March 2021 ('000)	% <i>Increase</i>
Net rental income	€107,199	€78,087	37%
Net valuation result on investment property ²	€27,521	€67,101	-59%
Profit for the period	€60,213	€98,486	-39%
Company specific adjusted EPRA earnings	€59,258	€40,232	48%
Investment property	€8,602,990	€5,514,164	56%
Investment property under development	€915,724	€470,832	94%
EPRA net tangible assets per share (in Euro)	€12.33	€9.35	32%
Yield-on-Cost of developments	10.2%	11.5%	
LTV	44.1%	38.1%	

Disciplined and profitable growth of CTP's pan-European portfolio

CTP's highly profitable development programme continued in line with expectations in Q1 and remains well positioned to capitalise on the strong occupational demand and low vacancy rates within the Group's core markets. Progress in the first quarter of 2022 includes:

- New construction projects totaling 233,000 sqm commenced (31 Mar 2021: 374,000 sqm), taking the total projects under construction as at 31 March 2022 to 1,144,000 sqm, of which 44% are pre-let securing €29 million of contracted rent.
- Completion of 47,000 sqm of high-quality developments (31 Mar 2021: 34,000 sqm) of which 68% are pre-let, securing c.€4 million of contracted rent.
- For the total projects under construction at the period end, yield-on-cost remained strong at 10.2% despite increased construction costs, exceeding the Group's target of over 10% (31 Mar 2021: 11.5%).
- Some 2.8 million sqm of landbank secured, almost all via options, increasing the Group's total landbank to an industry-leading 20.3 million sqm (31 Dec 2021: 17.8 million sqm), offering the development potential to almost double our current portfolio.

Proactively protecting and enhancing both income and capital value

Through its long-standing client relationships and proactive approach to managing its investment portfolio, the Group continues to maintain strong operational performance and portfolio metrics including:

- Low vacancy rates of 6% (31 Dec 2021: 6%) and high client retention rates of 95% (31 Dec 2021: 92%).
- An attractive portfolio WAULT of 6.3 years (31 December 2021: 6.0 years).
- Sustained rent collection levels with 98% of payments being received before falling due (31 Dec 2021: 98%).
- Capturing the reversionary potential inherent in the investment portfolio with 4.8%¹ like-for-like rental growth recorded in Group's investment portfolio, across both new lettings and lease regears.

Placing ESG at the core of what we do

In line with its ESG aspirations, CTP continues to seek to deliver meaningful value for all stakeholders. Strategic priorities for 2022 include the build-out of its solar capacity, bolstering its 'carbon-negative' operations and improving its transparency and disclosure by enhancing sustainability performance reporting and obtaining key ESG ratings. Key ESG initiatives commencing in Q1 2022 include:

- The construction of solar power plants across the entire Hungarian portfolio, with the first phase of four buildings at CTPark Budapest West (Biatorbágy), Dunaharaszti and CTPark Budapest East (Üllő). Each of these plants which become operational in 2022, cover an area of 9,000 sqm and can generate c.500 kWp power. Further plants will be developed with capacity totaling up to 3,000 kWp this year.
- Ongoing S&P CSA and ESG evaluation and GRESB assessment, as well as preparing for the external quality assurance as required by the commencement of the EU's Corporate Sustainability Reporting Directive (CSRD).
- Ongoing commitment to provide financial and operational support to help the humanitarian effort following the Russian invasion of Ukraine in February. To date, the Group has made a financial donation to the UN Refugee Agency (UNHCR), as well as provided vacant



warehouse space to local relief agencies for humanitarian supplies at its parks in Hungary, Romania, Slovakia and the Czech Republic.

Robust balance sheet and strong liquidity position

In line with its proactive and prudent approach the Group benefits from a solid liquidity position to fund its growth ambitions, with a fixed cost of debt and conservative repayment profile. On 20 January 2022, CTP closed a €700 million four-year green bond under its eight billion EMTN programme, and simultaneously successfully tendered €168 million in bonds of its 2025 Series. The pricing of the annual coupon in January's four-year tranche was fixed at 0.875%. As at the 31 March 2022 the Group's:

- Net Loan-to-Value is 44.1% (31 Dec 2021: 42.8%).
- Average debt maturity stands at 6.0 years (31 Dec 2021: 6.2 years), with an Average Cost of Debt of 1.2%, down from 1.19% at the 31 December 2021, of which 99.5% of fixed/hedged.
- Interest Coverage Ratio (ICR) of 4.4 times.
- Cash position of €1.14 billion (31 Dec 2021: €892.8 million)

Integrating Deutsche Industrie REIT-AG into CTP Germany

On 3 February 2022, CTP NV announced the completion of the takeover and delisting offer for Deutsche Industrie REIT-AG (now named Deutsche Industrie Grundbesitz AG, 'DIG'). This acquisition, which includes 90 assets (representing 1.7 million sqm of GLA), provides the Group with immediate scale in Europe's largest economy. DIG is being integrated into CTP Germany and CTP's wider pan-European operating platform and brings a unique platform for both for new and brownfield development as well as a significant opportunity to drive value through proactive asset management. Notable operational progress made during two months since the takeover include:

- The appointment of two Regional Development Directors who start on 1 June and 1 July 2022, along with CTP Germany's Regional Construction Director, ensuring the Group is on track to have recruited a team of 25 by end FY 2022, and a team of 50 by end FY 2023. The Berlin, Dusseldorf and the southern German office are on schedule to be opened during H2 2022.
- The immediate implementation of CTP Germany's four pillar portfolio strategy of 'hold and maintain'; 'hold and invest'; 'hold and convert' and 'sell'. In particular, the proactive management of the portfolio to unlock significant value through improving occupancy levels and capturing rental growth is gaining momentum with a total of 22,000 sqm of net lettings secured reducing vacancy by over 1%.
- Like-for-like rental growth across the German portfolio of 2.8% was recorded for Q1 2022.
- Capitalising on the significant tenant-led development and redevelopment opportunity that exists in and around the existing portfolio footprint, focusing predominately on last mile and urban logistics assets. Sites for new projects with GLA of c.200,000 sqm, with the potential to deliver €14 million of contracted rent, have been identified, with the start of construction anticipated within the next the 18 months.

¹ The like-for-like gross rental growth compares the growth of the gross rental income of the portfolio that has been consistently in operation (not under development) during the two preceding 12-month periods that are described. Excludes CTP Germany, Netherlands, and Bulgaria due to absence of like-for-like rental growth comparables. Previously the Group reported the like-for-like rental growth comparing the rent level between two periods calculated based on the same portfolio of contracts (not taking any new leases amendments or extensions into consideration).



² No revaluation took place on CTP's income-producing portfolio during Q1 2022 and Q1 2021. Revaluation of the Income Producing Properties under development, negatively impacted by increase of construction costs in Q1.

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CTP N.V. - Consolidated statement of profit and loss and other comprehensive income
January - March 2022 (Unaudited)

<i>In EUR thousand</i>	Q1/2022	Q1/2021
Rental income	109,593	77,833
Service charge income	11,106	7,402
Property operating expenses	(13,500)	(7,148)
Net rental income	107,199	78,087
Hotel operating revenue	2,249	830
Hotel operating expenses	(2,649)	(1,166)
Net operating income from hotel operations	(400)	(336)
Income from development activities	11,869	17,519
Expenses from development activities	(8,827)	(12,826)
Net income from development activities	3,042	4,693
Total revenues	134,817	103,584
Total attributable external expenses	(24,976)	(21,140)
	109,841	82,444
Net valuation result on investment property	27,521	67,101
Other income	2,530	1,769
Amortization and depreciation	(2,225)	(2,564)
Employee benefits	(9,704)	(5,693)
Impairment of financial assets	337	240
Other expenses	(20,590)	(5,080)
Net other income/expenses	(29,652)	(11,328)
Profit/loss before finance costs	107,710	138,217
Interest income	1,005	475
Interest expense	(21,822)	(18,875)
Other financial expense	(12,040)	(8,020)
Other financial gains/losses	153	9,325
Net finance costs	(32,704)	(17,095)
Profit/loss before income tax	75,006	121,122
Income tax expense	(14,793)	(22,636)
Profit for the period	60,213	98,486
Other comprehensive income		
Items that will never be reclassified to profit and loss		
Revaluation of PPE net of tax	557	964
Items that are or may be reclassified to profit and loss		
Foreign currency translation differences net of tax	(2,772)	(409)
Total other comprehensive income	(2,215)	555
Total comprehensive income for the year	57,998	99,041
Profit attributable to:		
Non-controlling interests	(362)	-
Equity holders of the Company	60,575	98,486
Total comprehensive income attributable to:		
Non-controlling interests	(362)	-
Equity holders of the Company	58,360	99,041
Earnings per share¹		
Basic earnings per share	0.14	0.29
Diluted earnings per share	0.14	0.29

¹ Year-on -Year not comparable due to IPO in March 2021.

**CTP N.V. - Consolidated statement of financial position as at 31 March 2022
(Unaudited)**

<i>In EUR thousand</i>	31 March 2022	31 December 2021
Assets		
Investment property	8,602,990	7,575,107
Investment property under development	915,724	774,203
Property, plant and equipment	111,559	110,967
Intangible assets	2,142	2,111
Trade and other receivables	123,412	100,739
Derivative financial instruments	1,410	126
Financial investments	953	445
Long-term receivables from related parties	47,556	47,124
Deferred tax assets	22,782	24,052
Total non-current assets	9,828,528	8,634,874
Trade and other receivables	255,172	144,082
Short-term receivables due from related parties	28	528
Derivative financial instruments	563	46
Contract assets	2,947	7,039
Current income tax receivable	8,938	7,260
Assets held for sale	-	-
Cash and cash equivalents	1,145,178	892,816
Total current assets	1,412,826	1,051,771
Total Assets	11,241,354	9,686,645
Issued capital	69,250	64,063
Translation reserve	7,944	10,716
Share premium	3,059,455	2,661,979
Retained earnings	1,350,887	324,920
Revaluation reserve	19,773	19,216
Net result for the year	60,575	1,025,936
Total equity attributable to owners of the Company	4,567,884	4,106,830
Non-controlling Interest	97,103	-
Total equity	4,664,987	4,106,830
Liabilities		
Interest-bearing loans and borrowings from financial institutions	1,303,546	1,110,471
Bonds issued	3,918,819	3,368,202
Trade and other payables	93,889	64,591
Long-term payables to related parties	18	18
Derivative financial instruments	144	-
Provisions	-	-
Deferred tax liabilities	791,161	746,773
Total non-current liabilities	6,107,577	5,290,055
Interest-bearing loans and borrowings from financial institutions	35,210	20,833
Bonds issued	138,884	13,490
Trade and other payables	268,920	237,148
Short-term payables to related parties	-	-
Derivative financial instruments	81	-
Current income tax payables	25,695	18,289
Liabilities associated with assets held for sale	-	-
Provisions	-	-
Total current liabilities	468,790	289,760
Total liabilities	6,576,367	5,579,815
Total equity and liabilities	11,241,354	9,686,645



WEBCAST AND CONFERENCE CALL FOR ANALYSTS AND INVESTORS

At 08.00am (BST) and 09.00am (CET) on the day, the Company will host a video presentation and Q&A session for analysts and investors, via a live webcast and audio conference call.

To view the live webcast, please register ahead at:

<https://www.investis-live.com/ctp/627a53e91e73890c00474922/cttg>

To join the presentation by conference call by telephone, please dial one of the following numbers and enter the participant access code **729800**.

UK	0800 640 6441
United Kingdom (Local)	020 3936 2999
All other locations	+44 (0) 203 936 2999

Press *1 to ask a question, *2 to withdraw your question, or *0 for operator assistance.

The recording will also be available on-demand until **Wednesday 25 May 2022**. To access the telephone replay dial one of the numbers below and enter the participant access code 407165.

UK:	020 3936 3001
All other locations:	+44 20 3936 3001

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CTP FINANCIAL CALENDAR

Action	Date
Publication 2022 First Quarter Results	18 May 2022
Publication 2022 Half-Year Results	10 August 2022
Publication 2022 Third Quarter Results	9 November 2022

About CTP

CTP is Continental Europe's largest owner, developer and manager of logistics and industrial real estate by gross lettable area, owning over 9.3 million sqm of space in ten countries per 31 March 2022. CTP is the only developer in the region with its entire portfolio BREEAM certified and became carbon neutral in operations in 2021, underlying its commitment to being a sustainable business. For more information visit our corporate website: www.ctp.eu

Forward looking disclaimer

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of CTP. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "targets", "may", "aims", "likely", "would", "could", "can have", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Forward-looking statements may and often do differ materially from actual results. As a result, undue influence should not be placed on any forward-looking statement. This press release contains inside information as defined in article 7(1) of Regulation (EU) 596/2014 of 16 April 2014 (the Market Abuse Regulation).

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