Financial results 1H 2020

Condensed consolidated interim financial statements
for the six-month period ended 30 June 2020

Condensed consolidated interim statement of profit and loss and other comprehensive income

For the six-month period ended

In EUR thousand	Note	2020 Revenues	2020 Attributable external expenses	2020	2019 Revenues	2019 Attributable external expenses	2019
Rental income	7	140,587			122,901		
Service charge income	7	12,159			10,916		
Property operating expenses			-16,256			-21,254	
Net rental income				**136,490**			**112,563**
Hotel operating revenues		3,274			8,679		
Hotel operating expenses			-3,240			-5,605	
Net operating income from hotel operations				**34**			**3,074**
Income from development activities		43,576			6,059		
Expenses from development activities			-20,019			-4,838	
Net income from development activities				**23,557**			**1,221**
Total revenues		199,596			148,555		
Total attributable expenses			-39,515			-31,697	
				160,081			**116,858**
Net valuation result on investment property				**29,960**			**145,243**
Other income				3,871			14,528
Amortization and depreciation				-4,317			-3,456
Employee benefits				-9,321			-8,221
Other expenses				-12,225			-17,315
Net other income/expenses				**-21,992**			**-14,464**
Net profit/loss before finance costs				**168,049**			**247,637**
Interest income	8			411			298
Interest expense	8			-30,877			-25,962
Other financial expenses	8			-2,495			-15,790
Other financial gains/losses	8			-8,146			-32,136
Net finance costs				**-41,107**			**-73,590**
Profit/loss before income tax				**126,942**			**174,047**
Income tax expense	9			-27,659			-33,794
Profit for the period				**99,283**			**140,253**
OTHER COMPREHENSIVE INCOME							
Items that will never be reclassified to profit and loss							
Revaluation of PPE				-153			-64
Items that are or may be reclassified subsequently to profit or loss							
Foreign currency translation differences net of tax				-12,835			1,692
Total other comprehensive income				**-12,988**			**1,628**
Total comprehensive income for the year				**86,295**			**141,881**
PROFIT ATTRIBUTABLE TO:							
Non-controlling interests				-40			1,550
Equity holders of the Company				99,323			138,703
Total comprehensive income attributable to:							
Non-controlling interests				--			--
Equity holders of the Company				**86,335**			**140,331**

The notes on pages 8–36 are an integral part of this condensed consolidated interim financial statements.

Condensed consolidated interim statement of financial position

In EUR thousand	Note	30 June 2020	31 December 2019
ASSETS			
Investment property	10	4,996,237	4,794,732
Investment property under development	11	462,143	440,727
Property, plant and equipment		45,322	47,021
Contract assets		33,785	32,343
Trade and other receivables		15,128	11,755
Financial derivatives	14	710	403
Financial investments		808	1,280
Receivables from related parties	16	14,709	54,257
Deferred tax assets	15	7,481	9,119
Total non-current assets		**5,576,323**	**5,391,637**
Trade and other receivables		105,110	113,117
Short-term receivables due from related parties	16	188	143
Financial derivatives		626	337
Inventories		8,351	8,461
Cash and cash equivalents		78,692	63,821
Total current assets		**192,967**	**185,879**
Total assets		**5,769,290**	**5,577,516**
EQUITY			
Issued capital	12	200	74,019
Translation reserve	12	-6,850	5,985
Reserves	12	890,743	828,682
Retained earnings	12	1,112,721	717,047
Revaluation reserve	12	12,433	12,586
Net result for the year		99,323	396,219
Total equity attributable to owners of the Company		**2,108,570**	**2,034,538**
Non-controlling interest		**585**	**625**
Total equity		**2,109,155**	**2,035,163**
LIABILITIES			
Interest-bearing loans and borrowings from financial institutions	13	2,577,867	2,507,777
Trade and other payables		10,709	21,672
Contract liabilities		35,908	34,200
Long-term payables to related parties	16	39,701	41,081
Financial derivatives	14	35,472	11,013
Deferred tax liabilities	15	**495,712**	**491,356**
Total non-current liabilities		**3,175,415**	**3,107,099**
Interest-bearing loans and borrowings from financial institutions	13	232,977	187,409
Trade and other payables		206,998	175,098
Contract liabilities		7,796	7,630
Short-term payables to related parties	16	7,809	60,005
Financial derivatives	14	9,186	5,112
Total current liabilities		**484,720**	**435,254**
Total liabilities		**3,660,135**	**3,542,353**
Total equity and liabilities		**5,769,290**	**5,577,516**

The notes on pages 8–36 are an integral part of this condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity

In EUR thousand	Issued capital	Translation reserve	Reserves	Revaluation reserve	Retained earnings	Net result for the year	Total equity attributable to equity holders	Non controlling interest	Total equity
Balance at 1 January 2020	**74,019**	**5,985**	**828,682**	**12,586**	**717,047**	**396,219**	**2,034,538**	**625**	**2,035,163**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD									
Profit for period	-	-	-	-	-	99,323	99,323	-40	99,283
OTHER COMPREHENSIVE INCOME									
Revaluation of Property, plant and equipment	-	-	-	-153	-	-	-153	-	-153
Foreign currency translation differences	-	-12,835	-	-	-	-	-12,835	-	-12,835
Total comprehensive income for the period	**-**	**-12,835**	**-**	**-153**	**-**	**99,323**	**86,335**	**-40**	**86,295**
OTHER MOVEMENTS									
Transfer of profit 2019	-	-	-	-	396,219	-396,219	-	-	-
Transfer within equity	-74,019	-	74,019	-	-	-	-	-	-
Decrease of reserves	-	-	-11,958	-	-	-	-11,958	-	-11,958
Addition to share capital	200	-	-	-	-	-	200	-	200
Common Control transactions	-	-	-	-	-545	-	-545	-	-545
Total other movements	**-73,819**	**-**	**62,061**	**-**	**395,674**	**-396,219**	**-12,303**	**-**	**-12,303**
Balance at 30 June 2020	**200**	**-6,850**	**890,743**	**12,433**	**1,112,721**	**99,323**	**2,108,570**	**585**	**2,109,155**

Balance at 1 January 2019	**74,019**	**4,293**	**138,921**	**12,650**	**356,282**	**366,275**	**952,440**	**639**	**953,079**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD									
Profit for period	-	-	-	-	-	138,703	138,703	1,550	140,253
OTHER COMPREHENSIVE INCOME									
Revaluation of Property, plant and equipment	-	-	-	-32	-	-	-32	-	-32
Foreign currency translation differences	-	-5,570	-	-	-	-	-5,570	-	-5,570
Total comprehensive income for the period	**-**	**-5,570**	**-**	**-32**	**-**	**138,703**	**133,101**	**1,550**	**134,651**
OTHER MOVEMENTS									
Transfer of profit 2018	-	-	-	-	366,275	-366,275	-	-	-
Transfer within equity		-	-	-	-	-	-	-	-
Decrease of reserves	-	-	-	-	-	-	-	-	-
Addition to share capital		-	-	-	-	-	-	-	-
Common Control transactions	-	-	-	-	-	-	-	-	-
Total other movements	**-**	**-**	**-**	**-**	**366,275**	**-366,275**	**-**	**-**	**-**
Balance at 30 June 2019	**74,019**	**-1,277**	**138,921**	**12,618**	**722,557**	**138,703**	**1,085,541**	**2,189**	**1,087,730**

The notes on pages 8–36 are an integral part of this condensed consolidated interim financial statements.

Condensed consolidated statement of cash flow

For the six-month period ended

In EUR thousand	30 June 2020	30 June 2019
OPERATING ACTIVITIES		
Profit for the period	99,283	140,253
Net valuation result on investment property	-29,960	-145,243
Amortisation and depreciation	4,317	3,456
Net interest expense and expenses from derivatives	30,466	25,664
Change in fair value of derivatives and other financial losses	29,314	32,785
Other changes	-18,726	13,562
Income from non-controlling interest	-40	1,550
Gain from sale of Investment property and subsidiaries	--	--
Income tax expense	27,659	33,794
Operating profit before changes in working capital	**142,313**	**105,821**
Decrease/(increase) in trade and other receivables	8,232	-11,212
Increase/(decrease) in trade and other payables	4,818	-17,504
Decrease/increase in inventory	110	-2,048
Changes in net working capital	**13,160**	**-30,764**
Interest paid	-31,535	-25,962
Interest received	382	298
Income taxes paid	-3,827	-10,375
Cash flows from operating activities	**120,493**	**39,018**
INVESTMENT ACTIVITIES		
Acquisition of investment property	--	-761
Acquisition of property, plant and equipment	-489	--
Proceeds from disposal of investment property and PPE	--	14,490
Acquisition of subsidiaries, net of cash acquired	-5,207	-13,220
Proceeds from disposal of subsidiaries, net of cash disposed	--	--
Additions due to development of investment property	-166,927	-145,597
Cash flows used in investing activities	**-172,623**	**-145,088**
FINANCING ACTIVITIES		
Repayment of borrowings	-105,387	-1,443,246
Proceeds from interest-bearing loans and borrowings	201,539	1,824,639
Loan and borrowings received from related companies	629	--
Repayment of loans to related companies	-15,981	-225,000
Transaction costs related to loans and borrowings	-1,376	-59,621
Proceeds from the issue of share capital	200	--
Distribution of funds to shareholder	-12,500	--
Payment of lease liabilities	-123	-200
Cash flows from financing activities	**67,001**	**96,572**
Cash and cash equivalents at 1 January	63,821	69,518
Net increase in cash and cash equivalents	14,871	-9,498
Cash and cash equivalents at the end of six-month period	**78,692**	**60,020**

The notes on pages 8–36 are an integral part of this condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. General information

The CTP Group (hereinafter referred to as “CTP” or “Group”) is a Dutch based real estate developer developing and leasing a portfolio of properties in Central and Eastern Europe (CEE). CTP comprised of following sub-Groups (hereinafter referred to as “the Sub-groups”) until 27 January 2020:

(a) CTP B.V. domiciled in the Netherlands (hereinafter referred to as “the Sub-Group CTP BV”),

(b) CTP Invest, spol. s r.o. domiciled in the Czech Republic (hereinafter referred to as “the Sub-Group CTP Invest”) including CTP CEE Properties, spol. s r.o.

The Sub-Groups each represented a legal Group and were under the common control of their ultimate shareholder **Multivest B.V.** (the Netherlands).

On 27 January 2020 CTP B.V. acquired CTP Invest, spol. s r.o. and became the sole shareholder of the Sub-Group CTP Invest. This change has been registered in the commercial register as at 10 February 2020.

For the structure of CTP as at 30 June 2020 see Appendix 1.

Registered office:

The operating headquarter of CTP B.V., being the holding company, is located at Groeneweg 11, 4197 HD Buurmalsen, The Netherlands.

RSIN number: 860528091

Registration number: 76518233

CTP B.V. was incorporated on 21 October 2019, for an unlimited period of time.

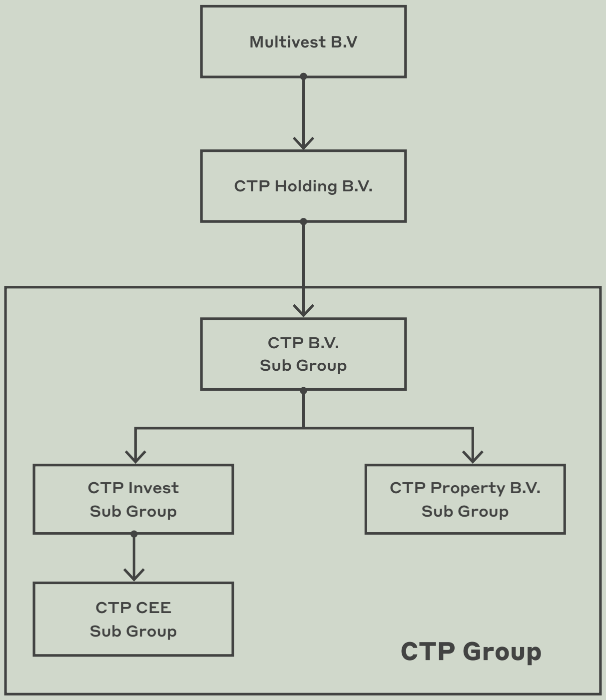
The sole shareholder as at 30 June 2020 is CTP Holding B.V.

Management as at 30 June 2020: CTP Management B.V.

Principal activities:

The principal operation of the CTP is the development and lease of investment property in the Czech Republic, Slovakia, Hungary, Romania, Poland and Serbia.
The Group leases property to its tenants under operating leases. As at 30 June 2020, the investment property portfolio and development platform is held by the CTP BV.

These condensed consolidated interim financial statements cover the six-month period of the year 2020, which ended at the balance sheet date of 30 June 2020.



2. Going concern

CTP's properties are let to a wide range of tenants and there is no significant focus on any one particular group or company. CTP closely monitors the financial stability of its tenants and believes that its rental projections for the coming 12 months are realistic in the light of the current economic climate.

CTP expects to settle its current liabilities as at 30 June 2020 during the year 2020 and 2021 as follows:

In EUR thousand	2020
Current liabilities as at 30 June 2020	484,720
Current assets excluding cash and cash equivalents as at 30 June 2020	114,274
Funds required in 2020 to cover the short-term liquidity need	370,446
Available cash as at 30 June 2020	78,692
Expected net rental income available for repayment current Interest-bearing loans and borrowings to be received in 2020	306,431
Interest-bearing loans and borrowings from financial institutions to be renegotiated to a long-term basis	121,724
Short-term payables to be renegotiated to a long-term basis	7,809
Expected drawdowns of loans and borrowings from financial institutions under existing loan facilities	250,697
Recurring overdraft	4,024
Expected funds to be received in 2020 to cover the short-term liquidity need	**769,377**

Expected drawdowns of bank loans represent committed credit lines. Actual drawdowns are subject to particular conditions defined in respective loan agreements which management expects will be fulfilled.

Based on the cash-flow projections prepared for the year 2020, other actual development up to the date of approval of these condensed consolidated interim financial statements and results of management assessment as described above, the directors and management of the Group believe that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis as at 30 June 2020 and no material uncertainty exists with respect to going concern of the Group as at 30 June 2020.

The Group has secured bank loans that contain loan covenants. Under the agreements, the covenants are monitored on a regular basis to ensure compliance with these agreements.

3. Basis of preparation

a) Basis of preparation

In 2019, the financial statements were prepared by aggregating the separate consolidated interim financial statements of the CTP B.V. and CTP Invest, spol. s r.o. sub-Groups. The Sub-Groups, that did not constitute one legal Group as of 31 December 2019, were consolidated in one set of financial statements by adding together their assets, liabilities, equity accounts as well as income and expenses.

The following adaptations were carried out to the aggregation of the separate consolidated financial statements in order to establish the consolidated financial statements of the Group in 2019:

1. Necessary reclassifications were carried out.
2. Inter-Group transactions and any unrealised results from inter-Group transactions were eliminated.
3. Impairment of eliminated inter-Group receivables was adjusted.

Following the common control transaction described in note 1, the condensed consolidated interim financial statements for the six-month period ended 30 June 2020 have been prepared in accordance with IAS 34, 'Interim Financial Reporting'.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual combined financial statements as at 31 December 2019.

They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

The Group's operations are not subject to any significant seasonal fluctuations.

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on 11 September 2020.

b) CTP has considered the following new and amended standards in 2020

For the preparation of the condensed consolidated interim financial statements, the following new or amended standards and interpretations were considered for the first time for the financial year beginning 1 January 2020. The Group believes that they do not have material impact on the condensed consolidated interim financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards - the amendment reflect the changes in Framework's principles, which have implications for how and when assets and liabilities are recognised and derecognised in the consolidated financial statements.
- Definition of a Business (Amendment to IFRS 3) - the amendments narrowed and clarified the definition of a business. They also permit a simplified assessment of whether an acquired set of activities and assets is a Group of assets rather than a business
- Definition of Material (Amendments to IAS 1 and IAS 8) - the amendments clarify and align the definition of 'material' and provide guidance to help improve consistency in the application of that concept whenever it is used in IFRS Standards.
- Interest rate benchmark reform (Amendments to IFRS 9, IAS 39 and IFRS 7) - the amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform..

c) Standards issued but not yet effective

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

d) Functional and presentation currency

The presentation currency of the Group remains unchanged, being Euro (EUR), because the owners base their economic decisions on information expressed in this currency. All financial information presented in EUR has been rounded to the nearest thousand.

The Group performed analysis on entity level based on primary, secondary and other indicators and concluded on following:

- Group's entities with primary objective to ensure investing and development activities in specific countries, so called Invest companies, have the functional currency its local currencies as it is local currency:
  - whose competitive forces and regulations mainly determine the sales prices of its goods and services rendered to other companies operated in the same country,
  - that primarily influences labour, material and other costs of providing goods and services,
  - in which receipts from operating activities are usually retained.
- other Group's entities with objective of stable and sustainable operation of industrial parks or dormant entities with potential of future development of industrial parks have the functional currency EUR as
  - sales prices of services rendered to the tenants are in EUR,
  - funds from financing activities are generated in EUR and
  - activities of these companies are conducted as an extension of the reporting entity rather than with a significant degree of autonomy.

In CTP there are following Invest companies:

- CTP Invest, spol. s r.o. with functional currency CZK,
- CTP Invest Poland Sp. z o.o. with functional currency PLN,
- CTP Invest d.o.o. Beograd-Novi Beograd with functional currency RSD,
- CTP Management Hungary Kft. with functional currency HUF,
- CTP Invest Bucharest SRL with functional currency RON,
- CTP Invest SK, spol. s r.o. with functional currency EUR.

All other companies in the Group have EUR as functional currency.

e) Basis of measurement

The condensed consolidated interim financial statements of the Group are prepared on a historical cost basis, apart from investment property, investment property under development, part of property plant and equipment (solar plants) and financial derivatives, which are stated at fair value.

f) Use of estimates and judgments

The preparation of the condensed consolidated interim financial statements requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that the management believes to be reasonable under the circumstances, the results of which form the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

In particular, information about significant areas of estimates uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in note 4b) Investment property and note 4c) Investment property under development.

g) Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. Significant accounting policies

The accounting policies set out below are derived from the combined financial statements prepared as at 31 December 2019 and have been consistently applied to all periods presented in the condensed consolidated interim financial statements and have been applied consistently by CTP entities except when otherwise indicated.

a) Basis of consolidation

a) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the potential voting rights that are exercisable or convertible, are taken into account. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Sub-groups.

The Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination under IFRS 3, when an integrated set of activities is acquired in addition to the property. More specifically, consideration is made to the extent to which significant processes are acquired and, in particular, the extent of services provided by the subsidiary.

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill and deferred tax is recognised.

b) Acquisition of business from companies under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

The assets and liabilities acquired under common control are recognized at the carrying amounts recognized previously in the financial statements of the entities acquired. Any difference between consideration paid and the net book value of assets and liabilities acquired is recognized directly in the equity. In the absence of more specific guidance, the Group consistently applied the book value method to account for all common control transactions.

c) Business combinations

Business combinations, excluding those commenced between parties under common control, are accounted for by applying the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net amount of the identifiable assets acquired and liabilities stated at fair value.

Goodwill is tested for impairment if events or changes in circumstances indicate that it might be impaired, but at least annually, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

When the excess is negative (bargain purchase), it is recognized immediately in the consolidated statement of profit and loss and other comprehensive income.

d) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any resulting gain or loss is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

e) Changes in the ownership interests in existing subsidiaries

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries

f) Asset acquisition

Asset acquisitions is an acquisition of an asset or a Group of assets (and liabilities) that does not constitute a business. The Group identifies and recognises the individual identifiable assets acquired and liabilities assumed and allocate the cost of the Group to the individual identifiable assets and liabilities based on their relative fair values at the date of the acquisition.

g) Intra-group transactions

Intra-group balances and any gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements of the Groups.

b) Investment property

Investment properties are those which are held to earn rental income, for capital appreciation, or for both. Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. An external, independent valuator having appropriately recognized professional qualifications and recent experience in the location and category of property being valued, values the portfolio of investment property at least annually.

For portion of investment property the independent valuation report was obtained as at 30 June 2020 and was incorporated into the consolidated financial statements of the Group.

For investment property where an independent valuation report was not obtained as at 30 June 2020, the Group has performed an internal valuation. The Group concluded that yields remained stable within the industrial and office segments for the six-month period ended 30 June 2020. The Group reviewed changes in the tenant rents as at 30 June 2020 comparing to 31 December 2019 and noted none with significant impact on fair value of properties. Therefore, for projects which were completed prior to 1 January 2020 and have not been covered by an independent valuation report, no valuation gains or losses have been recognized. For projects completed within the six-month period ended 30 June 2020 and which have not been covered by an independent valuation report, the fair value stated is equivalent to their fair value after completion, based on the independent valuation report obtained as at 31 December 2019.

For valuation of the hotel portfolio for period ended 30 June 2020, CTP has taken into consideration the impact of Covid-19, resulting in a decrease of its fair value by 14% since 31 December 2019.

As at 31 December 2019 all investment properties were valued using external valuation report.

The fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement for all of the investment properties has been categorized as a Level 3 fair value.

Buildings and land

The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties, and where relevant, associated costs. A yield which reflects the risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

In view of the nature of the properties and the bases of valuation, the valuator adopted the Income Approach based on the discounted cash flow technique for a 10-year period. The cash flow assumes a 10-year holding period with the exit value calculated on the 11th year income. The cash flow is based on the rents receivable under existing lease agreements until their expiry date and the expected rental value for the period remaining in the 10-year period, as applicable. The valuator has based his opinion of the Estimated Rental Value (ERV) on this.

Valuations reflect, where appropriate, the type of tenants actually in occupation or responsible for meeting the lease commitments or likely to be in occupation after letting vacant accommodation and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between lessor and lessee; and the remaining economic life of the property. It has been assumed that whenever rent reviews or lease renewals are pending with anticipated reversionary increases, all notices, and where appropriate counter notices, have been served validly and within the appropriate time.

The assumptions used by the independent valuator and in the internal valuations were as follows:

Yield	30 June 2020	31 December 2019
Initial yield	4.25% - 8.79%	4.25% - 8.79%
Exit yield		
Industrial premises	5.50% - 9.50%	5.50% - 9.50%
Office properties	6.00% - 9.00%	6.00% - 9.00%
Retail	7.50%	7.50%
On-going Vacancy	0.00% - 2.00%	0.00% - 2.00%
ERV per sqm		
Industrial premises	2.75 - 9.50 EUR	2.75 - 9.50 EUR
Office properties	3.90 - 9.50 EUR	3.90 - 9.50 EUR
Retail	7.30 EUR	7.30 EUR

Fair value as of 30 June 2019:

For valuation of investment property in Poland, Hungary, Romania, Serbia and Slovakia for the period ended 30 June 2019, an independent valuation report was obtained. In instances where the investment property was extended by more than 1,000 square meters of lettable area in six-month period ended 30 June 2019, the change in fair value was split between additions at cost and valuation gain. Other additions to projects completed prior to 1 January 2019 were deemed insignificant, therefore the overall change in their fair value was recognized as valuation gain or loss.

The valuation of investment property in Czech Republic for the period ended 30 June 2019, was performed through an internal valuation. The internal valuation was based upon an external independent analysis of the real estate market in the Czech Republic as at 30 June 2019, whereby it was concluded that the Czech Republic is deemed the most stable country with the lowest investment risk within the CEE region, indicating strong fundamentals of the real estate investment market.

For projects completed prior to 1 January 2019, in case the property was extended by more than 1 000 sqm of lettable area in six-month period ended 30 June 2019, the change in fair value between 31 December 2019 and 31 December 2018 was split between additions (at cost) and valuation gain. Other additions to projects completed before 1 January 2019 were deemed insignificant and therefore the overall change in fair value between 31 December 2019 and 31 December 2018 was recognised as valuation gain or loss.

Based upon an internal yield analysis for industrial properties:

- the full amount of the valuation gain was assigned to the second half of the year 2019 due to decrease of the yields in second half of the year 2019 for the properties in the following locations: CTPark Modřice, CTPark Brno I and II, CTPark Brno South, CTPark Prague East, CTPark Bor, CTPark Planá nad Lužnicí, CTPark Žatec, CTPark Kadaň, CTPark Karviná, CTPark Lipník nad Bečvou, Ponávka Business Park – buildings B1-B8,
- the valuation gain on the remaining industrial properties held was split equally between the first six month-period ended 30 June 2019 and the second six-month period ended 31 December 2019 as the yields remained unchanged in other locations.

Based upon an internal yield analysis for office facilities:

- the full amount of the valuation gain was assigned to the first half of the year 2019 for the following locations Spielberk Office Center, Spielberk Office Center Tower I, Ponávka Business Park C1, C2, C4, IQ Ostrava, CTOffice Ponávka Business Park and Vlněná FGH due to decrease of the yields in first half of the year 2019.
- the valuation gain of the offices in the remaining locations was split equally between the first six month-period ended 30 June 2019, and the second six-month period ended 31 December 2019 as the yields remained unchanged in other locations.

For hotel investment properties, no significant yield changes occurred throughout the year 2019 and bearing in mind the insignificant value of the hotel portfolio, the valuation gain was split equally between the first six month-period ended 30 June 2019, and the second six-month period ended 31 December 2019.

Lastly, the fair value of the sole retail facility Polyfunkční dům Barrandov remained unchanged as at 30 June 2019. For any new projects completed within the six month period ended 30 June 2019, the Group has decided to state their fair value as at 30 June 2019 in the same amount as their future fair value after completion, which was stated in the Pipeline valuation report as at 31 December 2018.

With respect to the standing investment property portfolio located in Germany, given its insignificant value, the Group recognized no change in its fair value and any decrease in value in 2019 reflected the sale of part of the German portfolio. Similarly, for the Austrian standing investment property portfolio no changes in fair value were recognized as at 30 June 2019.

Any gain or loss arising from a change in fair value is recognized in the statement of profit and loss.

The land on which the buildings are being constructed and qualifying as investment property upon construction completion is classified as investment property and hence recorded at fair value.

Hotel portfolio of the Group is classified as investment property as the hotels were acquired and are held by the Group for the capital appreciation. Fair value of hotel portfolio was valued by external valuator and fair value is calculated based on discounted cash flow method; yields used in valuation for the year 2020 is in range from 7,85% - 8,28%. (2019 – yield range 6,5% – 6,75%)

Land bank

The land bank comprises the plots of land in CTP's ownership, on which development projects are to be carried out.

For six-month period ended 30 June 2020, CTP performed only internal valuation and it has concluded that no significant changes occurred in the market value of land in the respective locations since 31 December 2019.

For land acquired prior to 1 January 2020, no valuation gains and losses have been recognised during the six-month period ended 30 June 2020.

New land acquired in new locations has been valued at acquisition cost as at 30 June 2020.

New land acquired in existing locations during the six-month period ended 30 June 2020 was revalued to fair value using a fair value per square meter for the respective location, based upon the independent valuation report obtained as at 31 December 2019 as summarized below:

Fair value per square meter:	30 June 2020	31 December 2019
Czech Republic	54 EUR	54 EUR
Slovak Republic	43 EUR	43 EUR
Hungary	28 EUR	28 EUR
Serbia	28 EUR	28 EUR
Romania	25 EUR	25 EUR
Poland	25 EUR	25 EUR

The same approach has been applied for internal valuation of land bank as at 30 June 2019.

For valuation of land bank acquired prior to 1 January 2019, the Group assumed there were no significant changes in market value in comparison to 31 December 2018 and therefore no valuation gains or losses had been recognized for period ended 30 June 2019.

New additions to new locations were valued at acquisition cost as at 30 June 2019 and new additions to existing locations during the six-month period ended 30 June 2019 were valued based on the fair values per square meter in respective locations as at 31 December 2018. The valuation gains and losses on such additions were fully recognized in the statement of comprehensive income.

c) Investment property under development

Property that is being constructed or developed for future use as investment property, is classified as investment property under development. Investment property under development is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. When construction or development is completed, property is reclassified and subsequently accounted for as investment property.

For new projects classified as investment property under development during the six-month period ended June 2020 an independent valuation report as at 30 June 2020 was obtained. Value of investment property under development was determined by external, independent property valuators, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued.

For investment property under development that has already been held by the Group as at 31 December 2019 and has not yet been completed till 30 June 2020, the Group has assumed that no significant change in the fair value has occurred since 31 December 2019. Increases in residual value for the six-month period to 30 June 2020 were primarily caused by capitalised costs to the project.

As at 31 December 2019 all investment properties under development were valued using external valuation report.

The fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

The fair value measurement for all of the investment properties under development has been categorized as a Level 3 fair value.

The valuator used the Residual Value Approach for the valuation of the investment property under development. In order to assess the fair value of the sites, the valuator undertook a development appraisal to assess the potential value (Gross Development Value) of the fully completed and leased development as currently proposed, and deducted hard costs, soft costs, financing costs and a developer's profit to reflect the required level of return to a developer and the risk of undertaking the development.

In assessing the Gross Development Value, the valuator adopted a market approach by estimating the market rental values for the accommodation to be developed, and the appropriate capitalisation rate which a potential investor would require, to arrive at the Fair Value of the completed and leased building.

At initial stage, the investment property under development is valued at cost.

The assumptions used in external and internal valuations were as follows:

	30 June 2020	31 December 2019
Capitalisation rates	5.25% - 9.00%	5.25% - 9.00%
On-going Vacancy	0.00% - 2.00%	0.00% - 2.00%
ERV per sqm		
Industrial premises	3.50 – 6.00 EUR	3.50 – 6.00 EUR
Office properties	13.75 EUR	13.75 EUR
Soft costs	8.00% - 10.00%	8.00% - 10.00%
Finance costs	4.00% - 8.00%	4.00% - 8.00%
Profit allowance	20.00% - 25.00%	20.00% - 25.00%

Fair value as at 30 June 2019:

For valuation of projects under development as at 30 June 2019 CTP has performed only internal valuation.

For investment property under development which was classified as such as at 31 December 2018 as well as at 30 June 2019, the Group has concluded no significant changes and evaluated the project as at 30 June 2019 in the fair value as at 31 December 2018 increased by capitalized cost of the projects incurred during the six-month period ended 30 June 2019.

With respect to new projects classified as investment property under development as at 30 June 2019, the Group assumed that the most significant increase in fair value occurred at construction start of the building, i.e. when the building permit is obtained. Therefore, the full valuation gain 2019 of new projects as determined by independent valuator was allocated to first six-month period ended 30 June 2019. The fair value of such projects was stated as the total of land value, capitalized costs for the six-month period ended 30 June 2019 and the valuation gain 2019.

Projects which were classified as investment property under development as at 31 December 2018 and were subsequently completed in the first half of 2019, were recognized as part of the standing investment property portfolio as at 30 June 2019.

d) Property, plant and equipment

(i) Revaluation model

Solar plants which are completed and generating income are classified under Property, plant and equipment at revaluated amounts, being the fair value at the reporting date. Any gain or loss arising on re-measurement of the solar plants is treated as a revaluation with any gain recorded as part of other comprehensive income, except to the extent that it reverses a previous impairment on the same property, in which case it is recorded in profit or loss. A loss is an expense in profit or loss to the extent at which it is higher than previously recognized revaluation surplus.

An external, independent valuator having appropriately recognized professional qualifications and recent experience in the location and category of the solar plant being valued, values the portfolio of solar plants at least annually. Such valuation was not done as of 30 June 2020.

In view of the nature of the solar plants and the bases of valuation, the valuator adopted the Income Approach based on the discounted cash flow technique for a 20-year period. The cash flow is based on the income receivable under the license provided by the government.

Depreciation of the solar plants is recognized into profit or loss on a straight-line basis over the estimated useful life of 20 years.

For the calculation of the market value of solar energy power panels the discount rate of 9% was used.

(ii) Cost model

All other buildings, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (note 4i). Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the initial estimate, where relevant, of the costs of dismantling and removing building items and restoring the building site at which they are located and an appropriate proportion of production overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income statement during the financial period in which they are incurred.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The Group recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred and it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replace item is derecognised. All other costs are recognized in the statement of comprehensive income as incurred.

Depreciation is recognized into profit or loss on a straight-line basis over the estimated useful life of the equipment. The estimated useful life for equipment varies between 3-8 years and for property and plant between 10-20 years.

(iii) Reclassification to Investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognized in OCI and presented in the revaluation reserve. A loss is an expense in profit or loss to the extend at which it is higher than previously recognized revaluation surplus.

e) Contract assets and contract liabilities

Contract assets represent the cost of development extras, specific fit-outs, which are paid upfront by tenants but are not capable of being distinct from leased premises. These capitalized development extras costs are depreciated evenly over the leasing period.

Contract liabilities primarily relate to the upfront consideration received from tenants for construction of development extras, specific fit-outs, for which revenue is recognised over time, over the leasing period.

f) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

- **As a lessee**

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of an asset leased.

Lease payments included in the measurement of the lease liability comprise of following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- the exercise price under a purchase option that the Group is reasonably certain to exercise;
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Subsequently, the lease liability is measured at amortized cost using effective interest method. It is remeasured when there is change in any of above-mentioned lease liability components. In such case the corresponding adjustment is made to the carrying amount of the right-of-use asset or is posted in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in the property, plant and equipment and lease liabilities in trade and other payables in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

- **As a lessor**

  At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

  When the Group acts as a lessor, they determine at lease inception whether each lease is a finance lease or an operating lease.

  To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

  The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of rental income.

  Property held under finance leases and leased out under operating leases was classified as investment property and stated at fair value as described in note 4b).

g) Financial instruments

(i) Financial assets

Initial recognition and measurement

The financial assets are classified at initial recognition at amortized cost, fair value through other comprehensive income or fair value through profit or loss.

The Group measures financial assets at amortised cost if both of the conditions are met:

- the financial asset is held within a business model with the objective to hold it in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial asset is classified and measured at fair value through other comprehensive income if it meets both of the following conditions:

- the financial asset is held within a business model with the objective of both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset, that otherwise meets the requirements to be classified and measured at amortised cost or at fair value through other comprehensive income, to be classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise..

Subsequent measurement

For For purpose of subsequent measurement, the Group’s financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)

This category is most relevant to the Group and it includes trade receivables and loans provided that are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

- Financial assets at fair value through profit and loss

This category includes derivatives. Financial assets are classified as held for trading if they are acquired for the purposes of selling or repurchasing in the near future.

Financial assets at fair value through profit or loss are carried out in the statement of financial position at fair value with net changes in fair value being recognised in the statement of profit or loss.

(ii) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans provided

Loans are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Loans provided are subsequently measured at amortised cost using the effective interest method, less any impairment losses. The Group classifies as a current portion any part of long-term loans that is due within one year from the reporting date.

Trade and other receivables

Trade and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank accounts and call deposits that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash-flow statement.

The Group treats cash deposited as a security in accordance with the bank loan covenants as cash and cash equivalents for cash flow purposes.

The cash flow statement of the Group is prepared based on indirect method from the statement of financial position and statement of comprehensive income.

(iii) Financial liabilities

Financial liabilities are classified as measured at amortised cost or at fait value through the statement of profit and loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held-for trading, it is a derivative or it is designed as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iv) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognized initially on the trade date at which the Group becomes party to the contractual provisions of the instrument. The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Non-derivative financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Group classifies as a current portion any part of long-term loans that is due within one year from the reporting date.

(v) Derivative financial instruments

A derivative is a financial instrument or other contract which fulfils the following conditions:

a) its value changes in response to change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract;

b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and

c) it is settled at a future date.

Derivative financial instruments are initially recognized at fair value; attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss.

Fair values are obtained from quoted market prices or discounted cash flow models, as appropriate. The derivatives are carried as current (those that are expected to be settled in less than 12 months) or non-current assets when their fair value is positive, and as current (those that are expected to be settled in less than 12 months) or non-current liabilities when their fair value is negative.

The principal types of derivative instruments used by the Group are interest rate swaps. Swaps are agreements between the Group and other parties to exchange future cashflows based upon agreed notional amounts.

Under interest rate swaps, CTP agrees with other parties to exchange, at specific interval, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional amount.

h) Inventories

Inventories represents mainly work in progress, which relates to the cost of development extras and specific fit outs for the tenants. .

i) Impairment

(i) Non-financial assets

The carrying amounts of the Group's assets, other than investment property, investment property under development and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. In respect of goodwill, the recoverable amount is estimated at each reporting date.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. Impairment losses are recognized in profit or loss. An impairment loss in respect of a Property, plant and equipment measured at fair value is reversed through profit and loss to the extent that it reverses an impairment loss on the same asset that was previously recognized in profit and loss.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (Groups of units) and then to reduce the carrying amount of the other assets in the unit (Group of units) on a pro-rata basis.

(ii) Financial assets

A financial asset not carried at fair value through profit or loss, including an interest in an equity-accounted investee, is assessed at each reporting date to determine whether there is objective evidence that it is credit-impaired.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor will enter bankruptcy, the disappearance of an active market for a security and observable data indicating that there is a measurable decrease in the expected cash flows from a Group of financial assets.

The Group considers evidence of impairment for financial assets at both specific asset and collective level. All individually significant financial assets are assessed for specific impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by Grouping together receivables with similar risk characteristics.

CTP uses for the recognition and measurement of impairment losses the "expected credit loss" model (ECLs). The Group measures loss allowance at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- provided loans and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition;
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to the lifetime ECLs.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at fair value through the statement of other comprehensive income (FVOCI) are credit-impaired. Financial assets are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;

  or
- the disappearance of an active market for a security because of financial difficulties.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If CTP determines that no objective evidence of credit impairment exists for an individually assessed financial assets, whether significant or not, it includes the assets in a Group of financial assets with similar risk characteristics and collectively assesses them for credit impairment. Financial assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

A significant increase in credit risk (SICR) represents a significant increase in the risk of default in respect of a financial assets as at the reporting date compared with the risk as at the date of initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, CTP considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group´s historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the trade or other receivable is more than 365 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that CTP expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

In some cases the observable data required to estimate the amount of an impairment loss on a financial asset may be limited or no longer fully relevant to current circumstances. This may be the case when a borrower is in financial difficulties and there is little available historical data relating to similar borrowers. In such cases, the Group uses its experience and judgement to estimate the amount of any credit impairment loss.

All impairment losses in respect of financial assets are recognised in profit or loss and are only reversed if a subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount of the asset that would have been determined, net of amortisation, if no impairment loss had been recognised.

The write-off policy of the Group requires that the outstanding amount of a loan shall be written off if there is any instalment overdue for 730 or more days. However, the loan shall remain in the Company's statement of financial position even after 730 days of non-payment if it is probable that the loan will be sold in a near future, or significant recoveries are expected. In such case, the loan outstanding amount shall be derecognised at the moment of the sale or later as soon as no significant recoveries are expected.

j) Reversals of impairment

An impairment loss of non-financial assets is reversed if there has been an indication that the loss has decreased or no longer exists and a change in the estimates used to determine the recoverable amount. An impairment loss is only reversed to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment losses been recognized.

Reversal of an impairment loss for goodwill is prohibited.

k) Equity

Share capital

Share capital represents the amount of capital registered in the Commercial Register and is classified as equity. External costs directly attributable to the issuance of share capital, other than upon a business combination, are shown as a deduction from the proceeds, net of tax, in equity. Share capital issue costs incurred directly in connection with a business combination are included in the cost of acquisition.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements from the functional to the presentation currency (refer to note 3d).

Reserves

Reserves include Other capital funds, which represent contribution outside the registered capital and are created based on decision of Board of directors.

Revaluation reserve

Revaluation reserve comprise revaluation of solar plants, which are classified under property, plant and equipment at revaluated amounts, being the fair value at the reporting date (refer to note 4d).

Retained earnings

Retained earnings arises from accumulation of profits and losses and are subject of dividend distribution after approval of the Board of directors.

l) Provisions

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

m) Rental income and service charge income

Rental income from leases is recognized as income in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income.

Park management income (service charge) is integral, but separately identifiable, part of rental contracts. The Group has identified that the park management services is distinct from rentals and are therefore accounted separately. The service charge is priced and contracted based on market prices relevant for the region of operation. The service charge income is recognized evenly over time of the service rendered as the customer simultaneously receives and consumes the benefits from the provided service.

Service and management charges are included in net rental income gross of the related costs. The Group determined that it does control the services before they are transferred to tenants and therefore that the Group acts rather as a principal in these arrangements.

n) Income from development activities

Revenues from customer specific fit-outs of rented facilities (development extras) are presented separately in statement of comprehensive income. Income from development activities includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. It is recognized on a straight-line basis per duration of respective rental contract.

Development Expenses represents internal and external expenses incurred that are reasonably or directly allocable to the performance of development activities in accordance with the agreed budget or contract.

o) Revenues from sale of properties

Revenue from sale of properties is recognised when the control has passed to the buyer at the amount to which the Group expects to be entitled, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably, i.e. on the date on which the application is submitted to the Land Registry for transfer of legal ownership title. Revenue is measured net of returns, trade discounts and volume rebates. When appropriate, revenue from such sales are deferred until the property is completed and the properties are ready for sale, including the necessary regulatory permissions.

p) Hotel revenues

Revenues from hotel operations represents room rental and sale of food and beverages. Hotel revenues are recognised in profit and loss at the moment, when customer obtains control over the services provided.

q) Expenses

(i) Service expenses and property operating expenses

Service expenses for service contracts entered into and property operating expenses are expensed as incurred.

(ii) Finance income / finance expenses

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- the net gain or loss on financial assets at fair value through profit or loss (other than investment property and investment property under development);

- the foreign currency gain or loss on financial assets and financial liabilities;
- the gain on the remeasurement to fair value of any pre-existing interest in an acquiree in a business combination;
- the fair value loss on contingent consideration classified as financial liability;
- impairment losses recognised on financial assets (other than trade receivables);
- the net gain or loss on hedging instruments that are recognised in profit or loss; and
- the reclassification of net gains previously recognised in Other Comprehensive Income.

Interest income or expense is recognised using the effective interest method.

r) Income tax

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the first day of the accounting period, and any adjustment to tax payable in respect of previous years.

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate derived from prior year effective tax rate.

Deferred tax is provided using the liability method, on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the reporting date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes of one entity relate to the same fiscal authority.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax was calculated using the tax rates valid for the periods in which the tax asset or liability is expected to be utilized.

The corporate income tax rate for the period ended 30 June 2020 and 2019 was:

Country	2020	2019
Austria	25,00%	25,00%
Czech Republic	19,00%	19,00%
Germany	29,48%	29,48%
Hungary	9,00%	9,00%
Luxembourg	26,00%	26,00%
Netherlands	25,00%	25,00%
Poland	19,00%	19,00%
Romania	16,00%	16,00%
Serbia	15,00%	15,00%
Slovakia	21,00%	21,00%
Ukraine	18,00%	18,00%

Deferred tax is not recognised from temporary differences on the initial recognition of assets and/or liabilities in transaction which is not a business combination under IFRS 3 (asset deal).

s) Foreign currency transaction

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated into euros at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in Other Comprehensive Income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to Non-controlling interest (NCI). When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

t) Segment reporting

The Group has applied the criteria of IFRS 8, 'Operating Segments' to determine the number and type of operating segments. According to this standard an operating segment is component carrying out business operations whose operating income is evaluated regularly by the Group's highest executive decision maker and about which separate financial information is available. The Group's Operating segments were determined in connection with the nature of the business and how the operations are managed by the Group's operating decisionmaker. The Group reports four operating segments based on geographical segmentation: Czech Republic, Romania, Hungary and Other. Segment results that are reported to the Board of Directors include items directly attributable to a segment.

The operating segments are determined based on the Group's management and internal reporting structure. As required by IFRS 8, the Group provides information on the business activities in which, the Group engages including split of revenue and investment property.

5. Segment reporting

The principal operation of the Group is the lease of investment property in the Czech Republic, Slovakia, Hungary, Romania, Poland and Serbia and development in these countries. The Group manages its activities based on geographical segmentation as the substance of the business activities is the same in all regions, where the Group operates.

The Group' s principal activities are performed in the following main business geographical segments: Czech Republic, Romania, Hungary and Other.

Results of the segments as at 30 June 2020 is as follows:

In thousand of EUR	Czech Republic	Romania	Hungary	Other	Eliminations in consolidation	Total
Investment property	3,415,543	792,524	308,875	479,295		**4,996,237**
Investment property under development	292,516	70,817	70,766	28,044		**462,143**
Interest-bearing loans and borrowings from financial institutions	-2,014,592	-431,525	-153,292	-211,435		**-2,810,844**
Net rental Income	89,906	23,512	9,766	13,306		**136,490**
Net valuation result on IP	-6,350	20,721	19,417	-3,828		**29,960**
Interest expense	-21,150	-17,169	-8,675	-6,551	22,668	**-30,877**
Profit/loss before tax	56,837	42,733	21,088	6,284		126,942

Results of the segments as at 30 June 2019 is as follows:

In thousand of EUR	Czech Republic	Romania	Hungary	Other	Eliminations in consolidation	Total
Investment property	3,192,542	654,865	241,918	304,613		**4,393,938**
Investment property under development	216,546	47,511	39,566	52,553		**356,176**
Interest-bearing loans and borrowings from financial institutions	-1,943,595	-353,681	-101,310	-145,600		**-2,544,186**
Net rental Income	78,898	16,231	7,402	10,032		**112,563**
Net valuation result on IP	69,839	46,687	22,415	6,302		**145,243**
Interest expense	-18,703	-11,424	-5,200	-3,542	12,907	**-25,962**
Profit/loss before tax	82,532	53,935	24,956	12,624		174,047

6. Changes in the Group

CTP has acquired the below mentioned subsidiary:

Subsidiary	Acquisition date
CTPARK BUCHAREST UPSILON SRL	16 March 2020

with the effect on the financial statement of the Group as follows:

In EUR thousand	Acquisitions 2020
Investment property	26,032
Other assets	487
Cash and cash equivalents	153
Deferred tax assets	2
Trade receivables	727
Total assets	**27,401**
Trade liabilities	-129
Other liabilities	-462
Bank loans	-18 867
Other loans	-2,583
Total liabilities	**-22,041**
Net assets acquired	**-5,360**
Consideration paid	5,360
Net cash outflow	**5,207**

The acquisition was recognized as a property asset acquisition as acquired company does not represent a business as defined by IFRS 3.

In period January – June 2019, the Group has acquired the below mentioned subsidiaries:

Subsidiary	Acquisition date
Development OVA West a.s.	30 April 2019
CTP Invest XXX, spol. s r.o.	18 June 2019
CTP Bucharest A1 SRL	30 June 2019
CTP Borská Pole, spol. s r.o.	3 September 2019

with the effect on the financial statement of the Group as follows:

In EUR thousand	Portfolio A
Investment property	54,548
Investment property under development	427
Cash and cash equivalents	301
Trade and other receivables	1,008
Total assets	**56,284**
Trade and other liabilities	-4,414
Interest bearing loans	-31,191
Total liabilities	**-35,605**
Net assets acquired	**20,679**
Consideration paid	20,679
Net cash outflow	**20,378**

The acquisition was recognized as a property asset acquisition as acquired companies does not represent a business as defined by IFRS 3.

7. Gross rental income and service charge income

In EUR thousand	30 June 2020	30 June 2019
Industrial	118,218	102,843
Office	15,604	12,977
Retail	432	504
Other	6,333	6,577
Total rental income	**140,587**	**122,901**
Service charge income	12,159	10,916
Total gross rental income and service charge income	**152,746**	**133,817**

CTP leases out its investment property under operating leases. The operating leases are generally for terms of 5 - 15 years.

Service charge income represents fixed contractual income receivable from tenants for maintenance, cleaning, security, garbage management and usage of infrastructure.

The revenues were generated in the following countries where CTP operates:

In EUR thousand	30 June 2020	30 June 2019
Czech Republic	97,496	88,815
Romania	26,814	22,483
Hungary	12,686	10,928
Slovakia	12,427	9,529
Germany	757	679
Poland	1,019	957
Serbia	1,461	342
Austria	86	84
Total gross rental income	**152,746**	**133,817**

8. Net finance costs

In EUR thousand	30 June 2020	30 June 2019
Interest income	411	298
Interest expense	-30,877	-25,962
Other financial expenses	-2,495	-15,790
Other financial gains/losses	-8,146	-32,136
Net finance costs	**-41,107**	**-73,590**

The Interest expenses consist of interest from loans and borrowings and further from paid interest on financial derivatives. Other financial expenses comprise primarily of standard bank fees and arrangement fees for making available new loan facilities and other financial expenses. In 2019 the financial expenses also included prepayment fee in the amount of EUR 8,569 thousand for premature loan repayments enabling the syndicate refinancing of the Czech industrial Portfolio.

Other financial gains/losses comprise the change of the market value of the derivatives and foreign currency differences. Due to the premature termination of the derivatives related to the refinancing of the Czech industrial Portfolio an amount of EUR 31,705 thousand was paid in June 2019.

9. Income tax expense

In EUR thousand	30 June 2020	30 June 2019
Effective tax rate	21%	21%
Tax income / (expense) calculated using the effective tax rate	-27,659	-33,794
Total income tax expense in income statement	**-27,659**	**-33,794**

CTP believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience.

The income tax rate is valid for 2020 and is as well valid for the future periods when the Group expects to utilize the tax impacts from previous years.

10. Investment property

In EUR thousand	30 June 2020	31 December 2019
BUILDINGS AND LAND	**4,706,023**	**4,499,496**
industrial	4,047,650	3,828,858
office	575,889	576,252
hotels	74,191	86,092
retail	4,200	4,200
other	4,094	4,094
LAND BANK	**290,214**	**295,236**
Total	**4,996,237**	**4,794,732**

In EUR thousand	Owned buildings and land	Land Bank	Leased Assets	Total Investment Property
BALANCE AT 1 JANUARY 2019	**3,811,474**	**277,082**	**5,492**	**4,094,048**
Transfer from/to investment property under development	100,037	22,384	--	122,421
Transfer from/to owned buildings and land	5,927	-5,927	--	--
Acquisitions	99,940	3,156	--	103,096
Additions / Disposals	207,705	705	--	208,410
Valuation gains	291,506	9,975	--	301,481
Valuation losses	-22,585	-12,139	--	-34,724
BALANCE AT 31 DECEMBER 2019	**4,494,004**	**295,236**	**5,492**	**4,794,732**
BALANCE AT 1 JANUARY 2020	**4,494,004**	**295,236**	**5,492**	**4,794,732**
Transfer from/to investment property under development	134,903	-3,934	--	130,969
Transfer from/to owned buildings and land	-3,473	3,473	--	--
Acquisitions	26,032	--	--	26,032
Additions / Disposals	38,410	-56	--	38,354
Valuation gains	45,831	111	--	45,942
Valuation losses	-35,176	-4,616	--	-39,792
BALANCE AT 30 JUNE 2020	**4,700,531**	**290,214**	**5,492**	**4,996,237**

Valuation of standing portfolio as at 30 June 2020.

In EUR thousand	Internal valuation	External valuator	Total
Czech Republic	1,533,597	1,705,948	3,239,545
Romania	748,674	-	748,674
Slovakia	-	309,300	309,300
Hungary	-	297,880	297,880
Serbia	55,190	-	55,190
Poland	31,300	-	31,300
Germany	15,862	-	15,862
Austria	2,780	-	2,780
Total	**2,387,403**	**2,313,128**	**4,700,531**

Owned buildings and land represent assets in CTP's legal ownership.

The land bank comprises the plots of land in CTP's ownership, on which development projects are to be carried out.

Investment property comprises a number of commercial properties that are leased to third parties.

Nearly all owned buildings and land in the standing portfolio are subject to bank collateral.

The most significant investment property additions in 2020 relate to completed construction of several warehouse facilities in Budapest, Cluj and Sibiu in Romania, Budapest in Hungary, Trnava in Slovakia, and industrial properties in Nitra in Slovakia and Novi Sad in Serbia.

The most significant investment property additions in 2019 relate to completed construction of office facility in Brno, industrial properties in Žatec, Cerhovice, Mladá Boleslav and Plzeň in the Czech Republic and in Kragujevac in Serbia.

Disposal of investment property in 2019 relate to sale of industrial property and land to external partners.

Acquisitions of investment property include property asset acquisitions described in note 6, and acquisitions of operating property from third parties.

The most significant investment property addition as at 30 June 2019 represent extension of industrial properties in Romania and in Czech Republic in Bor and Cerhovice. Valuation gains related to standing portfolio and land bank recognized in the statement of profit and loss is EUR 124,443 thousand as at 30 June 2019. Valuation losses were in amount of EUR 23,530 thousands.

Fair value hierarchy

The fair value measurement for investment property has been categorized as Level 3 recurring fair value based on the inputs to the valuation technique used in accordance with IFRS 13. There were no transfers between Levels during the year.

The investment property is located in the following countries where CTP operates

In EUR thousand	30 June 2020	31 December 2019
Czech Republic	3,415,543	3,388,338
Romania	792,524	695,729
Slovakia	346,214	314,620
Hungary	308,875	281,300
Serbia	60,358	43,562
Poland	47,860	46,320
Germany	15,862	15,862
Slovenia	4,588	4,588
Austria	2,780	2,780
Ukraine	1,633	1,633
Total	**4,996,237**	**4,794,732**

11. Investment property under development

In EUR thousand	30 June 2020	31 December 2019
Balance at 1 January	440,727	315,357
Additions/disposals	128,335	105,613
Acquisitions	240	--
Transfer from/to Investment property	-130,968	-122,422
Valuation gains	29,669	145,079
Valuation losses	-5,860	-3,480
Acquisition of subsidiaries	--	580
Balance at 30 June / 31 December	**462,143**	**440,727**

Valuation of investment property under development as at 30 June 2020

In EUR thousand	Internal valuation	External valuator	Total
Czech Republic	244,770	23,200	267,970
Romania	19,810	46,800	66,610
Slovakia	18,410	2,100	20,510
Hungary	37,590	25,700	63,290
Serbia	-	4,400	4,400
Total	**320,580**	**102,200**	**422,780**

The investment property under development comprises pipeline projects in several stages of completion and of land with planning permits in place which is still to be constructed but where pre-agreements with future tenants are available. The management estimates that all of the pipeline projects to be built will be completed in the coming two years.

Investment property under development is transferred to Investment property after final building approval (occupancy permit) has been obtained by the Group.

Valuation gains related to investment property under development recognized in the statement of profit and loss as at 30 June 2019 is EUR 45,779 thousand. Valuation losses were in amount of EUR 1,449 thousands.

The investment property under development is located in the following countries where CTP operates:

In EUR thousand	30 June 2020	31 December 2019
Czech Republic	292,516	243,901
Romania	70,817	78,190
Hungary	70,766	60,167
Slovakia	22,757	48,107
Serbia	4,408	8,162
Poland	879	2,200
Total	**462,143**	**440,727**

Fair value hierarchy

The fair value measurement for investment property under development has been categorized as Level 3 recurring fair value based on the inputs to the valuation technique used in accordance with IFRS 13. There were no transfers between Levels during the year.

12. Equity

Interest CTP B.V.

Share capital

The issued capital of EUR 200 thousand consist of 20,000,000 shares with nominal value of 0,01 EUR per share.

On 20 April 2020 the sole shareholder, CTP Holding B.V., decided to increase the share capital from 1 EUR to EUR 200 thousand. Increase has been fully paid in cash.

Following common control transaction dated 27 January 2020 and particularly the acquisition of CTP Invest, spol. s r.o. described in note 1, there was transfer of its share capital of EUR 74 019 thousand to reserves.

Reserves

On 10 January 2020 the Sole Shareholder of CTP Invest spol. s r.o., Multivest B.V., decided to decrease other capital funds by EUR 12 500 thousand and such decrease was paid in cash.

Further, on 27 January 2020 CTP B.V. acquired CTP Invest, spol. s r.o. and its subsidiaries for EUR 908 383 thousand from the Sole shareholder, Multivest B.V.

This liability to the Sole shareholder was settled with receivable from increase of share premium of EUR 960 217 thousand following particular restructuring steps besides which also liability for final purchase price of CTP CEE Properties, spol. s r.o. of EUR 51 292 thousand was settled with sole shareholder, CTP Holding, B.V.

13. Interest-bearing loans and borrowings from financial institutions

In EUR thousand	30 June 2020	31 December 2019
Non-current loans and borrowings from financial institutions	2,577,867	2,507,777
Current loans and borrowings from financial institutions	232,977	187,409
Balance at 30 June / 31 December	**2,810,844**	**2,695,186**

Residual maturity of loans and borrowings from financial institutions as at 30 June 2020 and 31 December 2019 is as follows:

	Balance as at 30 June 2020				
	Due within				
In EUR thousand	1 year	2 years	3-5 years	Due in follow. years	Total
Interest-bearing loans and borrowings from financial institutions	**232,977**	**209,343**	**663,447**	**1,705,077**	**2,810,844**

	Balance as at 31 December 2019				
	Due within				
In EUR thousand	1 year	2 years	3-5 years	Due in follow. years	Total
Interest-bearing loans and borrowings from financial institutions	**187,409**	**204,495**	**645,599**	**1,657,683**	**2,695,186**

Interest rates for loans and borrowings are based on EURIBOR, PRIBOR or ROBOR plus margins that vary from 1.55% to 3.90%.

Some of the Group's borrowings have, among others, loan-to-value and debt service coverage ratio covenants. As at 30 June 2020 there were no breach of covenant conditions. Bank loans are secured by pledges of shares, real estate, receivables and cash at bank accounts.

In 2019, the Group secured the refinancing of the complete Czech Industrial portfolio by a syndicate loan facility for a total committed amount of EUR 1,888,500 thousand and another up to EUR 50,000 thousand uncommitted loan facility. The mandated lead arrangers are Este Bank Group (Erste Bank Group AG and Česká spořitelna a.s.) together with UniCredit Group (UniCredit S.p.A. and UniCredit Bank Czech Republic and Slovakia a.s.) and Société Générale Group (Société Générale S.A. and Komerční banka, a.s.).

Reconciliation of movements of liabilities to cash flows arising from financing activities

Interest bearing loans from financial institutions

In EUR thousand	30 June 2020	31 December 2019
Balance as at 1 January	**2 695 186**	2 131 342
CHANGES FROM FINANCING CASH FLOWS		
Drawing of loans and borrowings	201 539	2 042 082
Repayment of the loans and borrowings	-105 387	-1 508 800
Acquisition through business combination	18 867	31 191
Disposal through sale of subsidiaries	--	--
Other adjustment	--	-629
Interest expense	25 679	45 444
Interest paid	-25 040	-45 444
Balance at 30 June	**2 810 844**	**2 695 186**

14. Financial derivatives

In EUR thousand	30 June 2020	31 Decemebr 2019
Receivables	1,336	740
Payables	-44,658	-15,951
Total	**-43,322**	**-15,211**
Accrued interest on derivatives	--	-174
Total derivatives	**-43,322**	**-15,385**

All financial derivatives were stated at fair value as at 30 June 2020 and 31 December 2019 and categorised to Level 3 in the fair value hierarchy. For fair value determination, a market comparison technique was used.

As at 30 June 2020 CTP held the following financial instruments:

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Currency	Nominal amount in thousand	Fair value 2020 (in EUR thousand)
Interest rate swaps	2020-2026	3M Euribor	from-0.025% to 0.432%	EUR	120,788 EUR	947
Foreign exchange swaps	2020	N/A	N/A	CZK/EUR	15,000 EUR	389
Total receivables from derivatives						**1,336**

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Currency	Nominal amount in thousand	Fair value 2020 (in EUR thousand)
Interest rate swaps	2020-2026	3M Euribor	from -0.34% to 0.8%	EUR	2,030,674 EUR	-43,106
Interest rate swaps	2020-2026	3M Euribor	from-0.241% to-0.140%	EUR	65,892 EUR	-721
Interest rate swap	2020-2023	N/A	0.636%	EUR	10,672 EUR	-203
Foreign exchange swaps	2020	N/A	N/A	CZK/EUR	10,000 EUR	-628
Total liabilities from derivatives						**-44,658**

As at 31 December 2019 CTP held the following financial instruments:

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Currency	Nominal amount in thousand	Fair value 2019 (in EUR thousand)
Interest rate swaps	2020 - 2026	3M Euribor	from -0.241% to -0.140%	EUR	112,320 EUR	420
Foreign exchange swaps	2020	N/A	N/A	EUR	25,000 EUR	320
Total receivables from derivatives						**740**

Derivative financial instruments	Due within maturity date	Receiving leg	Paying leg	Currency	Nominal amount in thousand	Fair value 2019 (in EUR thousand)
Interest rate swaps	2020 - 2027	3M Euribor	from -0.34% to 0.8%	EUR	2,045,280 EUR	-15,722
Interest rate swap	2020 - 2023	N/A	0.636%	EUR	10,904 EUR	-229
Total liabilities from derivatives						**-15,951**

15. Deferred tax liability

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The recognised deferred tax assets and liabilities are attributable to the following:

In EUR thousand	30 June 2020			31 December 2019		
	Deferred tax asset	Deferred tax liability	Total	Deferred tax asset	Deferred tax liability	Total
Temporary differences						
Investment property	7,480	-2,612,991	-2,605,511	23,878	-2,622,192	-2,598,314
Tax losses	20,119	8,121	28,240	8,862	7,915	16,777
Property, plant and equipment	6,285	2,891	9,176	13,875	3,888	17,763
Other (receivables, hedge accounting etc.)	5,862	-31,541	-25,679	1,830	--	1,830
Total temporary differences	**39,746**	**-2,633,520**	**-2,593,774**	**48,445**	**-2,610,389**	**-2,561,944**
Average tax rate (majority arises in the Czech Republic)		18.8%			18.8%	
Deferred tax liability	**7,481**	**-495,712**	**-488,230**	**9,119**	**-491,357**	**-482,239**
Change of deferred tax as at 30 June			**-5,991**			**-26,958**
Deferred tax recorded in statement of comprehensive income			-12,714			-25,417
Deferred tax related to disposals			--			--
Deferred tax recorded in translation reserve			6,723			-1,541
Deferred tax from asset held for sale			--			--
Deffered tax from new IFRS implementation			--			--

16. Related parties

CTP has a related party relationship with its directors and executive officers and other companies which equity holders is Multivest B.V. This entity is ultimate parent of CTP.

In six-month period ended 30 June 2020 and 2019 respectively, CTP had the following revenues and expenses with related parties:

In EUR thousand	30 June 2020		30 June 2019	
	Revenues	Expenses	Revenues	Expenses
CTP Energy TR, a.s.	--	--	--	-1
CTP Germany II GmbH	100	--	--	--
CTP Holding B.V.	92	-163	87	-229
CTP Solar, a.s.	--	-1	--	-1
CTP Germany III GmbH	17	--	--	--
Multivest B.V.	--	-1,013	--	-1,662
Total	**209**	**-1,177**	**87**	**-1,893**

As at 30 June 2020 and 31 December 2019, CTP had the following current receivables and loans to and current liabilities and loans from related parties:

In EUR thousand	30 June 2020		31 December 2019	
	Receivables	Payables	Receivables	Payables
CTP Holding B.V.	13	-7,772	13	-60,005
CTP I, spol. s r.o.	29	--	25	--
Multivest B.V.	104	--	104	--
Other	41	-37	1	--
Total	187	-7,809	143	-60,005

As at 30 June 2020 and 31 December 2019, CTP has the following non-current receivables and loans provided to and non-current liabilities and loans received from related parties:

In EUR thousand	30 June 2020		31 December 2019	
	Receivables	Payables	Receivables	Payables
CTP Germany II GmbH	6,426	--	7,037	--
CTP Holding B.V.	7,983	-200	46,938	-31
CTP Solar, a.s.	4	-105	2	-78
CTP Germany III GmbH	296	--	279	--
Multivest B.V.	--	-39,369	--	-40,972
Other	--	-27	1	--
Total	**14,709**	**-39,701**	**54,257**	**-41,081**

Other non-current non-trade receivables from and non-trade liabilities to related parties bear interest in a range of 1.82% - 5% depending on the maturity, collateralization, subordination, country risk and other specifics.

17. Risk policies

Exposure to various risks arises in the normal course of CTP's business. These risks include credit risk, capital risk, operational risk, market risk including foreign currency risk, interest rate and liquidity risk.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to CTP. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed for all customers requiring credit over a certain amount. CTP usually does not require collateral from its tenants. For most of the tenants, a parent company guarantee or a solvent tenant Group company guarantee is in place.

Investments can be made only in liquid securities and only with counterparties that have a credit rating equal to or better than CTP. Given their high credit ratings, the management does not expect any counterparty to fail to meet its obligations.

As at the reporting date there were no significant concentrations of credit risk towards third parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. CTP has bank accounts with prestigious banking institutions, where no risk is expected. CTP monitors regularly the financial position of the related parties and the related credit risk.

CTP discloses significant amounts of receivables towards related parties. Receivables towards related parties are partly covered by the liabilities to related parties and assets held by the related parties. If the related parties breach the repayment of CTP receivables and CTP is not able to set off receivables against liabilities, CTP will be exposed to significant credit risk. CTP does not expect breach of repayment.

Capital risk

CTP's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. CTP manages its capital to ensure that entities in CTP will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. CTP's overall strategy remains unchanged compared to 2019.

CTP as property investor is primarily influenced by the fact that it leverages its project financing by using bank debts. There is no real seasonality impact on its financial position but rather the volatility of financial markets that might positively or negatively influence CTP's financial position.

The capital structure of CTP consists of a debt, which includes the borrowings disclosed in the note 13.

Net gearing ratio:

Gearing ratio calculated below compares debt to equity where a debt is defined to be the sum of long-term and short-term interest-bearing loans and borrowings from financial institutions and equity includes all capital and reserves of the Group including non-controlling interests.

In EUR thousand	30 June 2020	31 December 2019
Debt	2,810,844	2,695,186
Equity	2,109,155	2,035,163
Gearing ratio	**133%**	**132%**

The loan to value (value is the fair value of the properties) ratio of CTP properties (calculated as a share of interest bearing loans from financial institutions and lease payables on investment property, investment property under construction and plant and equipment) is approximately 51 % at 30 June 2020 (31 December 2019 – 51 %) that is seen as appropriate within the financial markets where CTP is operating. As the properties are leased for a long period and CTP agreed with its financial institutions long-term financing, CTP expects to fulfill financial covenants in the future.

Operational risk

Operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss from external events. CTP assesses these risks on a regular basis and undertakes measures aimed at systematic detection and minimizations of these risks. During 2020, operational risk management activities concentrated on improving the management information systems containing information about individual projects and related legal documentation.

With respect to areas with an identified significant risk, CTP operates a set of key risk indicators that serve as an early-warning system and as a measurement of operational risks taken.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect CTP's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing the return.

Foreign currency risk

Currency risk is managed mainly by making, when possible, investments in the same currency as the financing sources utilized. The currency risk during the period of repayment of liabilities to third parties is usually offset by generating revenues denominated in the same underlying currency. CTP pays for construction of buildings in local currency and therefore has foreign currency risk during the construction period. CTP uses derivative financial instruments (FX forwards) to hedge against the exposure to foreign currency risk arising on forecast transactions.

As at 30 June 2020 CTP analyzed the impact of the foreign exchange rate variances on its assets and liabilities and on its statement of comprehensive income. The impact would not be significant as a majority of financial instruments is denominated in EUR.

Interest rate risk

The interest rate risk arises mainly from the floating interest rates applicable to debt financing. Bank loans usually have flexible interest rates based on EURIBOR or PRIBOR rates for the reference period from 1 months to 6 months increased by a fixed margin. In 2019 and 2020, CTP entered into transactions with the financial institutions to hedge the interest rate risk. CTP mitigated the interest rate risk by holding interest rate swaps, interest rate caps and interest rate collars.

Liquidity risk

Liquidity risk is the risk that CTP will not be able to meet its financial obligations as they fall due. With respect to the nature of its business and its assets, CTP is naturally exposed to a certain amount of liquidity risk. CTP manages liquidity risk by constantly monitoring forecast and actual cash flow, financing its investment property portfolio by long-term financing, and refinancing where appropriate, and to use the rent income to settle the short-term liabilities.

Fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are obtained, as appropriate, from quoted market prices, discounted cash flow projections and other valuation models.

To estimate the fair value of individual classes of financial instruments, the following methods and assumptions are used:

Cash and cash equivalents, short-term investments

The book value of cash and other short-term investments approximates their fair value, as these financial instruments have a relatively short maturity.

Receivables and payables

The book value of short-term receivables and payables approximates their fair value, as these financial instruments have a short maturity.

Short-term loans

The book value approximates their fair value, as these instruments have a floating interest rate and a short maturity.

Long-term loans

The book value of long-term loans and other liabilities with different interest rates approximates their fair values.

Derivatives

The fair value of derivatives is based on their market value.

Investment property

Investment property is stated at fair value based upon a discounted cash flow calculation for a 10-year period. The cash flow assumes a 10-year holding period with the exit value calculated on the 11th year income (refer to note 4b).

Investment property under development

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (refer to note 4c).

18. Contingent liabilities

Issued guarantees

Under Guarantee agreements concluded following the sale of a portfolio of companies forming CTPark Plzeň, CTPark Teplice I & II and CTPark Prague North I, CTP Invest, spol. s r.o. and CTP CEE Properties, spol. s. r.o. provided specific guarantees to the buyer of the entities being the companies established by Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH.

The specific guarantees include (i) Rental Guarantee (Vacant Premises, Rent Shortfall, Outstanding Tenant Incentives) (ii) Tenant Guarantees (Default, Break Options, Non-Solicitation) and (iii) Technical Guarantee (for the quality of the buildings). The duration of the guarantees is until November 15, 2028, unless they terminate earlier pursuant to the agreement.

Contracted work

As at 30 June 2020, the Group has contracted work with external suppliers related to realization of construction project, which is not performed at the period ends of EUR 143,131 thousand (31 December 2019 – EUR 150,788 thousand).

19. Subsequent events

Mergers

In period ended 30 June 2020 CTP successfully completed the legal restructuring primarily of the companies which were part of the Czech Industrial Portfolio with the aim to simplify the company structure and decrease the administrative burden. The legal restructuring constituted of several mergers, demergers and spin-offs of over 40 SPVs, all effective from 1 January 2020.

On 3 August 2020, the merger of the following subsidiaries was registered in the commercial register with effective date as of 1 January 2020 and establishment of new company CTPark Ostrava Poruba, spol. s r.o.:

- Development OVA West, a.s.
- CTP Invest XII, spol. s r.o.

The Group founded the following new subsidiaries:

Subsidiary	Country
CTP Alpha GmbH	Austria
CTPark Zeta EOOD	Bulgaria
CTPark Epsilon EOOD	Bulgaria
Vojtova SIA	Latvia
Zemankova SIA	Latvia
Samesova SIA	Latvia
CTP Gamma GmbH	Austria
CTP Portfolio Finance Czech B.V.	The Nethelands

Covid-19

Covid-19 has led to a significant disruption in the lives of many people and companies. CTP is of course also impacted by this.

Although the impact of the Covid-19 is incorporated in the figures as at and for the period ended 30 June 2020. Covid-19 can have impact as well in the period after 30 June 2020. Based on the current assessment we believe that the impact on CTP will be limited.

Associated with the Covid-19 virus, we have considered possible events and conditions for the purpose of identifying whether these events and conditions affect, or may affect the future performance of the company. In making this assessment, we have considered for (i) the period up to 12 months after the end of the reporting period, as well as for (ii) the period up to 12 months after the date of this report, the following criteria:

- Changes in demand of the company's products / services
- Signals of deterioration of credit risk and payment behavior of debtors
- Disruptions in the (inter-) national supply chains
- Signals of change in payment terms required by creditors
- Disruptions in the company's core processes (construction/ property management / offices / work force etc.)
- Issues with providers of financing / loan covenants / credit facilities

We expect Covid-19 to have negative but also positive effects for CTP where we believe that the positive ones will prevail for CTP in the mid-term. Some of our tenants may face liquidity issues and may ask for delay of rent payments but CTP's business is a very diversified portfolio in respect of locations and tenants with over 1.000 leases. This provides us no dependence on any individual tenant and gives great resilience.

From a liquidity perspective our financing is mostly on a very long-term basis. The current feedback from our banks is that they will honour their existing financing commitments for our current development pipeline which also has been confirmed in the first months after the Covid-19 virus outbreak.

Property valuations are expected to be stable in the CTP portfolio which actually has been confirmed by the fact that the valuator does not include a material valuation uncertainty statement in the valuations as per 30 June 2020. Further we expect that interest rates will stay at very low levels for an even more extended period, which as well will continue to support the current property valuations.

The management is convinced that the current uncertainties related to the Covid-19 virus do not impact the presented condensed consolidated interim financial statements as per 30 June 2020 particularly also in regard of the going concern assumption covering the 12 months after the date of this report.

Change in management

On 1 July 2020, there is a change in management of the CTP B.V. Group. CTP Management B.V. was replaced by Remon L. Vos and Jan-Evert Post.

CTP is not aware of any other events that have occurred since the statement of financial position date that would have a material impact on these condensed consolidated interim financial statements as at 30 June 2020.

11 September 2020

Remon L. Vos

Jan - Evert Post

Appendix 1

CTP Group Structure

As at 30 June 2020

Remon Leonard Vos — Person with significant control
100% → Stichting Administratiekantoor Multivest
Stichting Administratiekantoor Multivest — 100% → CTP Management B.V
Stichting Administratiekantoor Multivest — 100% → Multivest B.V.
98.89%
95.97%

100% → CTP Invest, spol. s r.o.
100% → CTP CEE Properties, spol. s r.o. (CZ)

CTP Invest, spol. s r.o.

Czech Republic

CTP Property Czech, spol. s r.o.
100%

CTP X, spol. s r.o.
100% L

CTPark České Budějovice II, spol. s r.o.
100% L

CTPark Brno Retail, spol. s r.o.
100% L

CTPark Brno III, spol. s r.o.
100% L

Multidisplay s.r.o.
100% E

CTP Invest XII, spol. s r.o.
100% L
➜ Development OVA West, a.s.
100% L

CTPark Prague North II, spol. s r.o.
100% E

CTP XIII, spol. s r.o.
100% E

CTP Vlněna Business Park, spol. s r.o.
100%

CTP XIV, spol. s r.o.
100% L

CTPark Plzeň, spol. s r.o.
100%

CTP II, spol. s r.o.
100% L

CTPark Brno Líšeň East, spol. s r.o.
100%

CTPark Prague North III, spol. s r.o.
100%

CTP III, spol. s r.o.
100% E

CTPark Stříbro, spol. s r.o.
100% L

CTPark České Budějovice, spol. s r.o.
100% L

CTP XV, spol. s r.o.
100% E

CTP XVI, spol. s r.o.
100% E

Serbia

➜ CTP Lambda doo Beograd
100% L

CTP XVII, spol. s r.o.
100% L

CTP XVIII, spol. s r.o.
100% E

CTPark Brno Líšeň II, spol. s r.o.
100%

CTP Forest, spol. s r.o.
100%, F

CTP Property Romania, spol. s r.o.
100%, E

CTP Property Bulgaria, spol. s r.o. (CZ)
100% E

Bulgaria

➜ CTPark Beta EOOD
100% E
➜ CTPark Gamma EOOD
100% E
➜ CTPark Delta EOOD
100% E

CTP XX, spol. s r.o.
100% E

CTP XXI, spol. s r.o.
100% E

CTP Barrandov, spol. s r.o.
100%

CTPark Brno Líšeň West, spol. s r.o.
100%

CTP XXII, spol. s r.o.
100% E

CTPark Lysá nad Labem, spol. s r.o.
100%

CTP XXIII, spol. s r.o.
100% E

CTP Domeq Brno, spol. s r.o.
100%

CTP XII, spol. s r.o.
100% E

CTP Alpha, spol. s r.o.
100% L

CTP XXIV, spol. s r.o.
100% E

TP Hotel Pilsen, spol. s r.o.
100%
➜ CTP Hotel Operations Pilsen, spol. s r.o.
90%, 10% CTP Invest, spol. s r.o.

CTP Hotel Prague, spol. s r.o.
100%
➜ CTP Hotel Operations Prague, spol.s r.o.
90%, 10% CTP Invest spol. s.r.o.

CTPersonnel Bor, spol. s r.o.
100% E

CTP Beta, spol. s r.o. (CZ)
100%
➜ CTP Omega, spol. s r.o. (CZ)
100% E

Hungary

CTP Management Hungary Kft.
100% L

CTPark Eight Kft.
100% E

HU24 CTPark Eleven Kft.
100% L

HU25 CTPark Twelve Kft.
100% E

Ukraine

CTPark Ukraine LLC
100% E
➜ CTPark Lviv LLC
99%, 1%
➜ IQ Lviv LLC L
99%, 1% IQ Lviv LLC

Serbia

CTP Invest doo Beograd-Novi Beograd
100% E

CTP Property Serbia, spol. s r.o. (CZ)
100% E
➜ CTP Zeta doo Beograd-Novi Beograd
100% E
➜ CTP Iota doo Beograd-Novi Beograd
100% E
➜ CTP Kappa doo Beograd-Novi Beograd
100% L

Moldova

CTP INVEST S.R.L.
100% E

Slovakia

CTPark Prešov s.r.o.
90%, 10% CTP Property Czech, spol. s r.o. E

CTP Gama s. r. o.
90%, 10% CTP Property Czech, spol. s r.o. E

CTP Land SK, s.r.o.
90%,
10% CTP Property Czech, spol. s r.o.

CTP Dunaj s.r.o.
90%, 10% CTP Property Czech, spol. s r.o. E

CTPark Žilina Airport, spol. s r.o.
85%, 15% CTP Property Czech, spol. s r.o. E

CTPark Žilina Airport II, spol. s r.o.
85%, 15% CTP Property Czech, spol. s r.o. E

Poland

CTP Invest Poland Sp. z o.o.
100% E

CTP Eta Poland Sp. z o.o.
100% L

CTP Theta Poland Sp. z o.o.
100% E

CTPark Iłowa Sp. z o.o.
100% L

CTPark Zabrze Sp. z o.o.
100% L

CTP Beta Poland Sp. z o.o.
99%, 1% CTP Invest Poland Sp z .o.o. L

CTP Delta Poland Sp. z o.o.
100% E

CTP Gamma Poland Sp. z o.o.
100% E

CTP Zeta Poland Sp. z o.o.
100% E

CTP Epsilon Poland Sp. z o.o.
100% E

Austria

CTPark GmbH
100% E

CTP INVEST IMMOBILIEN GMBH
100% E

Netherlands

CTP Baltic Holding B.V.
100% E

CTP CEE Properties, spol. s r.o. (CZ)

Czech Republic

CTP V, spol. s r.o.
100% L

CTP IQ Ostrava, spol. s r.o.
100%

CTP Finance, spol. s r.o.
100% E

CTP Infrastructure, spol. s r.o.
100% E

CTP XI, spol. s r.o.
100% E

CTP IV, spol. s r.o.
100% L

CTP VI, spol. s r.o.
100% E

Spielberk Business Park, spol. s r.o.
100%

CTZone Ostrava, spol. s r.o.
100%

CTP VII, spol. s r.o.
100% E

CTP VIII, spol. s r.o.
100% E

Spielberk Business Park II, spol. s r.o.
100%
➜ CTP Hotel Operations Brno, spol. s r.o.
100%

Moldova

CTP Alpha S.R.L.
100% E

Netherlands

Multifin B.V.
100%

Czech Republic

➜ CTP I, spol. s r.o.
100% E
➜ CTP Solar, a.s.
100% E

Germany

➜ CTP Germany II GmbH
100%
➜ CTP Germany IV GmbH & Co. KG
100%
➜ CTP Germany III GmbH
100%

Austria

CTP Immobilienverwaltung GmbH
99%, 1% CTP Invest, spol. s r.o.

Poland

CTPark Opole Sp. z o.o.
100%

Romania

CTP INVEST BUCHAREST SRL
98.94%, 1.06% Spielberk Business Park,spol. s r.o. L
➜ Universal Management SRL
75.25% E

CTPARK THETA SRL
99.9%, 0.1% CTP Invest, spol. s r. o. L

CTPARK PSI SRL
99.9%, 0.1% CTP Invest, spol. s r. o. L

CTPARK ZETA SRL
99.9%, 0.1% CTP Invest, spol. s r. o. L

CTPARK EPSILON SRL
90%, 10% CTP Invest, spol. s r. o. L

CTPARK IOTA SRL
90%, 10% CTP Invest, spol. s r. o. E

CTPARK MIU SRL
90%, 10% CTP Invest, spol. s r. o. E

CTPARK OMICRON SRL
90%, 10% CTP Invest, spol. s r. o. E

CTPARK RHO SRL
90%, 10% CTP Property Czech, spol. s r.o. E

CTPARK KM23 NORTH SRL
90%, 10% CTP Invest, spol. s r. o. E

CTPARK KM23 SOUTH SRL
90%, 10% CTP Invest, spol. s r. o. E

CTPARK KM23 WEST SRL
90%, 10% CTP Invest, spol. s r. o. E

Germany

CTP Germany GmbH
100% E
➜ CTP Germany V GmbH
90%, 10% CTP Invest, spol. s r.o.
➜ CTP Germany VI GmbH
90%, 10% CTP Invest, spol. s r.o. E

Slovenia

CTP Ljubljana, d.o.o.
100% L

CTPark Alpha, d.o.o.
100% E

Slovakia

CTP Invest SK, spol. s r.o.
90%, 10% CTP Holding B.V. L

CTPark Čierny Les, spol. s r.o.
90%, 10% CTP Invest, spol. s r.o.

Bulgaria

CTP Invest EOOD
100% E

Employees & Partners

1.11%

CTP Partners B.V.

4.03%

CTP Holding B.V.

100%

CTP B.V.

100%

CTP Property B.V.

Czech Republic

CTP CEE Sub Holding, spol. s r.o.
100% E

CTPark České Velenice, spol. s r.o.
100%

CTP XIX, spol. s r.o.
100% E

Czech Industrial Portfolio

CTP Portfolio Finance CZ, spol. s r.o.
100%
➔ **CTP Industrial Property CZ, spol. s r.o.**
100%

CTPark Prague West, spol. s r.o.
100%

CTP Borská Pole, spol. s r.o..
100%

CTP Vysočina, spol. s r.o.
100%

CTPark Brno I, spol. s r.o.
100%

CTPark Ostrava, spol. s r.o.
100%,

CTP Moravia South, spol. s r.o.
100%

CTPark Mladá Boleslav, spol. s r.o.
100%

CTP Bohemia North, spol. s r.o.
100%

CTP Moravia North, spol. s r.o.
100%

CTP Pilsen Region, spol. s r.o.
100%

CTP Bohemia West, spol. s r.o.
100%

CTPark Bor, spol. s r.o.
100%

CTPark Hranice, spol. s r.o.
100%

CTPark Modřice, spol. s r.o.
100%

CTPark Prague Airport, spol. s r.o.
100%;

CTPark Prague East, spol. s r.o.
100%

CTP Ponávka Business Park, spol. s r.o.
100%

CTP Solar I, a.s.
100%

CTPark Brno II, spol. s r.o.
100%

CTP Bohemia South, spol. s r.o.
100%

CTP Solar II, a.s.
100%

CTP Solar III, spol. s r.o.
100%

Romania

CTP CONTRACTORS SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK ALPHA SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK BETA SRL
90%,
10% CTP CEE Sub Holding, spol. s r.o.

CTPARK GAMMA SRL
90%,10% CTP CEE Sub Holding, spol. s r.o.

CTPARK DELTA SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK BUCHAREST SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

R016 CTPARK BUCHAREST WEST I SRL
85.71%, 14.28% CTP CEE Sub Holding, spol. s r.o., SG

DEVA LOGISTIC CENTER S.A.
89.91%, 10.09% CTP CEE Sub Holding, spol. s r.o.

CTPARK BUCHAREST WEST II SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK KAPPA SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CENTURA PROPERTY HOLDINGS S.A.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK LAMBDA SRL
90%,10% CTP CEE Sub Holding, spol. s r.o.

CTPARK OMEGA SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK PHI SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK SIGMA SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK TAU SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o. L

CTPARK ETA SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Bucharest A1 SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPARK BUCHAREST UPSILON SRL
90%, 10% CTP CEE Sub Holding, spol. s r.o.

Slovakia

CTP Alpha SK, spol. s r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Krásno nad Kysucou, spol. s r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTP Slovakia, s. r. o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Bratislava, spol. s r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Hlohovec, spol. s r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Nitra, spol. s r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Nove Mesto, spol. s.r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

CTPark Košice, spol. s r.o.
90%, 10% CTP CEE Sub Holding, spol. s r.o.

Serbia

CTP Alpha doo Beograd-Novi Beograd
100%

CTP Beta doo Beograd-Novi Beograd
100% L

CTP Gamma doo Beograd-Novi Beograd,
100% L

CTP Delta doo Beograd-Novi Beograd
100% L

CTP Epsilon doo Beograd-Novi Beograd
100% E

Hungary

CTP Invest Hungary Kft.
100% E
➔ **CTPark Alpha Kft.**
100%
➔ **CTPark Beta Kft.**
100%
➔ **CTPark Gamma Kft.**
100%

CTPark Delta Kft.
100%

CTPark Biatorbágy Kft.
100%

CTPark Arrabona Kft.
100%

CTPark Seven Kft.
100%

CTPark Ten Kft.
100%

CTPark Nine Kft.
100%

Empty Shell
Land bank
Forest

CTP Regional Offices

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CTP Invest, spol. s r.o.
Central Trade Park D1 1571
396 01 Humpolec
Czech Republic
(+420) 565 535 565

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Purkyňova 2121/3
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Czech Republic
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Romania
(+40) 759 035 560

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