ANNUAL REPORT 2023

CTP N.V.

MISSION

CTP's mission is to build long-term value—for the Company, its shareholders, clients, and the communities where it operates. CTP pursues its mission through the creation of business parks with economic ecosystems in strategic locations across Europe, from the North Sea to the Black Sea. CTP is entrepreneurial, full-speed and forward-leaning, with 25 years of on-the-ground experience as a trusted partner to global business. Today, as Europe's largest listed owner, developer and manager of industrial & logistics ("I&L") properties and the long-term leader in the business-smart markets of Central and Eastern Europe ("CEE"), CTP is ambitious, innovative, and growing fast.

Company Introduction

1

Company Introduction

1.1 Business Model and Strategy

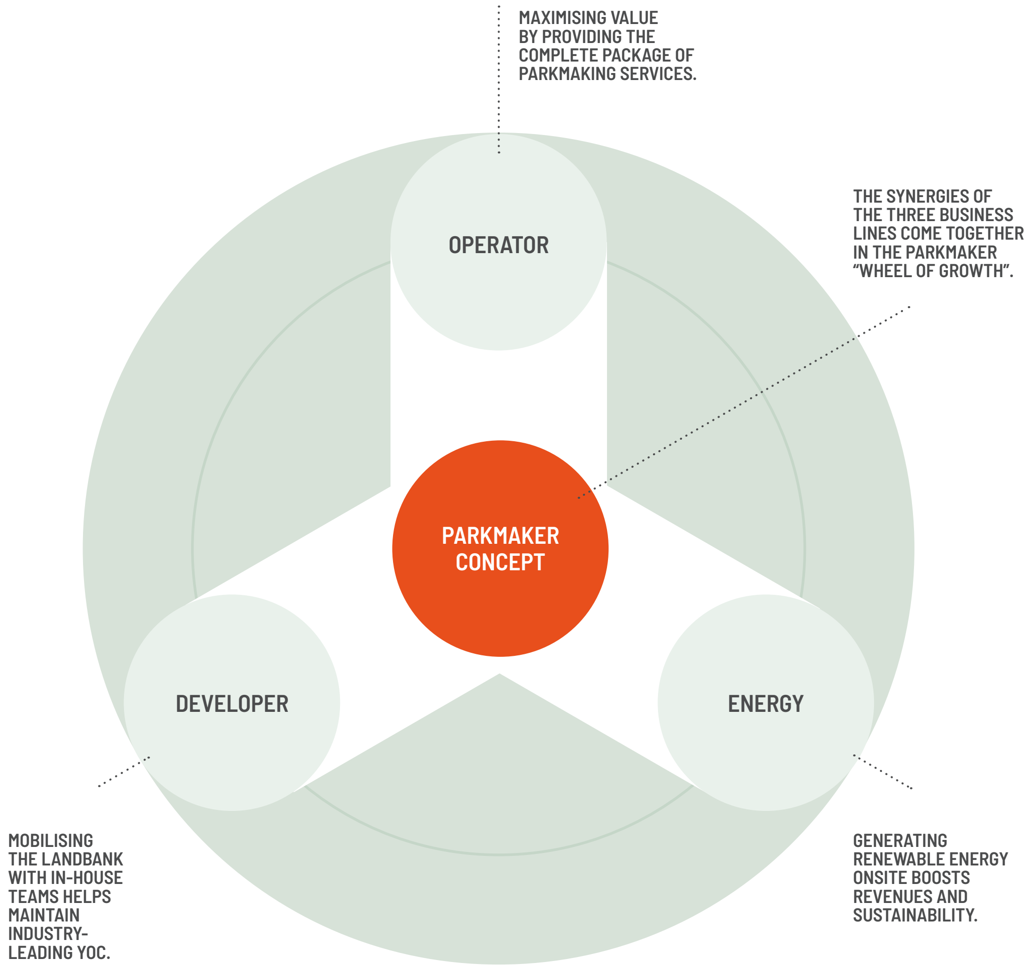
In line with its strategy, CTP targets to own and operate a pan-European network of business parks with total gross leasable area (“GLA”) of 20 million sqm—nearly doubling its current portfolio of 11.8 million sqm of GLA—and to generate annualised rental income of €1.2 billion before the end of the decade, while continuing to develop at an industry-leading Yield on Cost (“YoC”) of above 10%.

CTP, as a long-term owner, achieves its goals via its unique, vertically integrated business model, which consists of two interconnected core business units—the “operator” and the “developer”—integrated with the Company’s new energy business, which generates renewable energy for its CTParks and clients.

The business units each have their own roles and objectives, leveraging the Group’s capital sources and unique in-house capabilities while positively impacting each other: the operator, by owning and operating a property portfolio to enhance its value, generate cash flow, and maintain client relations; the developer, by generating industry-leading YoC and mobilising its landbank; and the energy business, by monetising solar capacity.

CTP's expansion into renewable energy is an integral part of the Company's Parkmaker concept and contributes to the Group's income and ESG objectives, while also providing green energy and energy security to its clients, supporting their ESG goals in the process.

The Group’s strategy is based on growing with its existing clients across the CTPark Network, which is illustrated by the high level of repeat business—almost two-thirds of new leases each year are signed with existing clients. CTP’s disciplined capital allocation, unique Parkmaker model and the expertise of its in-house teams position the Group to provide best-in-class service to clients and be a long-term partner. This has made CTP the market leader it is today and enabled the Group to provide shareholders with superior and long-term, sustainable returns. See **Chapter 2** for more details.



1.2 History

1998 Construction begins at CTP's headquarters and first business park in the Czech Republic—CTPark Humpolec. CTP established by Remon Vos.

2000 CTP completes its first building.

2007 CTP becomes the largest industrial developer in the Czech Republic, focusing on Plzeň, Brno and Ostrava.

2008 CTP installs its first solar plant at its headquarters at CTPark Humpolec.

2010 CTP completes the installation of 6 MWp of solar capacity at various parks in the Czech Republic.

2011 CTP's annual rental income exceeds €100 million.

CTP averages nearly 8% growth per year in 2008–2011, during the financial crisis.

2013 CTP enters the Prague market.

CTP's portfolio reaches 2 million sqm of GLA.

CTP delivers its first BREEAM Outstanding building—Tower I at Spielberk in Brno.

2014 CTP launches operations in Romania.

2015 CTP announces growth target of 3 million sqm of GLA by 2020.

CTP acquires 380,000 sqm of GLA in Romania, becoming the market leader in the country.

2016 CTP launches operations in Hungary.

2018 CTP's portfolio reaches 5 million sqm of GLA across CEE.

CTP sells a portfolio of three parks in the Czech Republic to DEKA for €410 million.

CTP sets new target of 10 million sqm of GLA by 2023.

2019 Remon Vos consolidates 100% ownership of CTP.

2020 CTP B.V. bonds rated Baa3 (Stable) by Moody's and BBB- (Stable) by S&P.

CTP issues its inaugural green bond.

CTP's entire portfolio in Hungary is BREEAM certified.

CTP becomes market leader in Serbia.

2021 CTP launches its IPO on Euronext Amsterdam, the largest real estate IPO in Europe since 2014, and is included in the Euronext AScX index.

CTP launches in Western Europe, opens an office in the Netherlands.

CTP BREEAM certifies 100% of its standing portfolio.

CTP receives a Low-Risk rating in Sustainalytics ESG Risk Ranking.

CTP is Europe's largest real estate issuer of green bonds for the year, with a total of €2.5 billion issued.

CTP becomes market leader in Hungary.

2021

2022 CTP launches operations in Germany with its acquisition of the 1.6 sqm GLA portfolio of Deutsche Industrie REIT; the CTPark Network now connects the North Sea to the Black Sea.

CTP included in the Euronext AMX index and the AEX® ESG Index.

CTP expands in Poland with a land acquisition that offers the potential for 1.2 million sqm of GLA.

CTP expands in Western Europe by delivering its first development in Rotterdam in the Netherlands and launching its first project in Austria.

CTP exceeds its 10 million sqm of GLA target with 10.5 million sqm of GLA at year-end and reaches 38 MWp of installed solar power capacity.

CTP becomes market leader in Bulgaria.

2023 CTP opens Hong Kong office amid growing demand from Asian clients for European industrial & logistics warehouse space.

CTP starts its first development projects in Germany.

CTP's installed solar power capacity reaches 100 MWp.

CTP's net rental income exceeds €500 million, with a record 2.0 million sqm of leases signed.

1.3 Big Numbers

LANDBANK
23.4 million sqm

LEASES SIGNED
2.0 million sqm

AVERAGE RENT OF LEASES SIGNED
€5.69 per sqm per month

GLA
11.8 million sqm

CLIENT RETENTION
90%

UNDER CONSTRUCTION
2.0 million sqm

ESTIMATED YoC OF PROJECTS UNDER CONSTRUCTION
10.3%

OCCUPANCY
94%

LIKE-FOR-LIKE RENTAL GROWTH
7.4%

PRE-LET 2024 DELIVERIES
38%

NEXT 12-MONTHS' CONTRACTED REVENUES
€719 million

REVERSIONARY POTENTIAL
14.5%

COLLECTION RATE
99.9%

WAULT
6.6 years

AVERAGE DEBT MATURITY
5.3 years

AVERAGE COST OF DEBT
1.95%

GAV
€13.6 billion

INTEREST COVER RATIO
3.8x

PRO-FORMA LIQUIDITY POSITION
€1.9 billion

PORTFOLIO YIELD
6.7%

EPRA NTA PER SHARE
€15.92

COMPANY SPECIFIC ADJUSTED EPRA EPS
€0.73

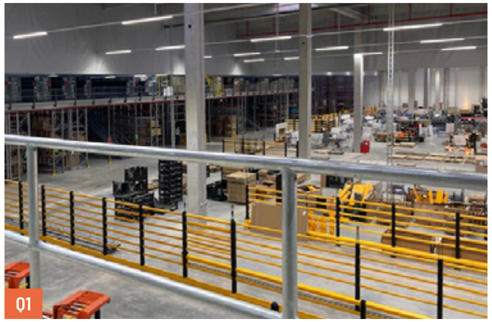
1.4 Quarterly Highlights 2023

01 CTP signs a three-year extension of its revolving credit facility with two one-year extension options, while increasing the size from €400 million to €500 million.

CTP delivers its first project in Austria, CTPark Vienna East, fully leased to among others DHL, Frigologo, Quick Service Logistics and Toyota.

CTP acquires a 100,000 sqm Romanian portfolio from supply-chain logistics provider FM Logistic in a sale-and-lease back transaction.

CTP enters the Pomerania region in Poland with the start of construction of the 119,000 sqm CTPark Gdańsk Port.



01

New facility for Toyota in CTPark Vienna East

02 CTP signs a two-tranche, five- and seven-year €280 million unsecured loan facility extension with a consortium of international financial institutions at a fixed all-in cost of 4.7%.

CTP publishes its inaugural Sustainability Report, integrating the standards of the Global Reporting Initiative ("GRI") and the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

CTP leases 52,000 sqm at CTPark Bлučina to Taiwan-headquartered Inventec, which produces computers, notebooks, servers and other IoT devices.

Inventec facility under construction at CTPark Blučina

02

Q3 CTP hosts its second Capital Market Days in Brno followed by an asset tour through the Czech Republic, Poland, Slovakia, Austria and Hungary with analysts and investors.

CTP opens an office in Hong Kong amid growing demand from Asian tenants for European industrial & logistics warehouse space to produce in Europe for Europe.

CTP signs a ten-year, €200 million unsecured loan facility extension with the European Investment Bank for the roll-out of solar panel installation, at a fixed all-in cost of 4.5%.

CTP announces the start of construction for 94,000 sqm of new space across CTPark Bratislava, CTPark Voderady and CTPark Trnava, bolstering its leading position in the Slovak market.

CTP's credit rating is confirmed by both Moody's (Baa3, stable outlook) and S&P (BBB-, stable outlook).

CTP leases 67,000 sqm to Mercator, a major Serbian supermarket chain, at CTPark Belgrade City, which will be the largest logistics hub in Serbia when delivered in Q4-2023.

Q4

Construction at CTPark Warsaw West Raben

Q4 CTP leases 115,000 sqm at CTPark Warsaw West to Raben Group, the largest lease transaction on the Polish market in 2023.

CTP leases 28,000 sqm to Heineken at CTPark Weiden, one of the first CTP developments in Germany, which will be delivered in 2024.

CTP delivers 0.6 million sqm across its portfolio during Q4, delivering a record 1.2 million sqm during the year and ending the year with 11.8 million sqm of owned GLA.

CTP receives a negligible-risk ESG rating from Sustainalytics and is ranked inside the top 2% of companies globally by Sustainalytics, underlining the Company's long-term commitment to being a sustainable business.

CTP acquires a 335,000 sqm brownfield site in in Mülheim, Germany for major new high-tech business park that will provide over 160,000 sqm of R&D, laboratory, co-working and industrial & logistics space for companies in technology-focused sectors, with construction work expected to begin in 2025.

1.5 Letter from the CEO

CTP had an excellent 2023, both operationally and financially, despite the volatility in the market during the year. Demand for our full-service business parks continued to grow, especially in business-smart Central Eastern Europe ("CEE"), which benefits from several important growth drivers.

In total we leased a record 2 million sqm of gross lettable area ("GLA") during 2023, while the average monthly rent for the leases signed increased 18% year-on-year. Two-thirds of new leases were signed with existing clients who are expanding with us.

In 2023 we delivered 1.2 million sqm of GLA, ending the year with a standing portfolio of 11.8 million sqm. Contracted revenues for the next 12 months at end-year increased materially year-on-year to €719 million thanks to strong like-for-like rental growth, while the occupancy rate remained stable.

Our strong income-producing portfolio, with our diverse international client base and 99.9% collection rate, ensures that CTP remains highly profitable and that we can continue to re-invest in our next developments.

CTP has a proven track record built over the course of more than 25 years. Our success is anchored by several key factors, including our large strategic landbank, primarily at existing CTPark locations, and our Parkmaker strategy and "wheel of growth" business model, which includes our integrated development capabilities, including in-house design and construction teams that help us build on-time and on-budget, as well as our property management team that look after the client after move-in, which fosters deep client relationships. Our unique mix of strengths, together with our first-mover advantage in CEE, gives us a robust financial position, with a market-leading yield on cost ("YoC") of above 10% for new developments. We are well placed to further build on our position and exploit emerging opportunities early.

Secular growth drivers in a region with huge potential

We have set an ambitious target: to double the size of our portfolio to 20 million sqm of GLA before the end of the decade, and we have a clear roadmap in place to achieve this. The conversations with our clients, together with the strength of our business model, give us full confidence in our ability to reach this milestone. The outlook for our markets in CEE is favourable, with secular growth drivers that remain entrenched across the region, which continues to be undersupplied and is the largest growth market in Europe, with rising barriers to entry for new developers.

Changes to the global geopolitical landscape continue to benefit CEE, as the importance and value of the region's underlying business-smart proposition—strategic location, educated workforce, and lower labour costs—becomes increasingly apparent and critical for the resiliency of European supply chains. We continue to see the rise of near-shoring/friend-shoring to the CEE region in response to global uncertainties and the need to reduce the fragility and carbon footprint of extended global supply lines.

Due to the global nature of this trend, in 2023 we opened an office in Asia to develop new relationships with companies looking to create a European presence, as well as to deepen ties with our existing clients in Asia. It is exciting to see the opportunities that this offers the CEE region, which is the natural production location in Europe.

The development of the middle class and increase in purchasing power drives ongoing demand for e-commerce warehousing and logistics facilities, particularly in CEE, where the growth in online retailing is more robust than in Western European markets, as it comes from a lower base, but catching up rapidly.

CEE growth dynamics mean that our markets' historic and projected GDP growth outperforms the EU-27 and Western Europe on average, with lower debt-to-GDP ratios. The region remains a generally low-tax, business-friendly environment, with strong government support for infrastructure development and foreign direct investments.

"We are confident that we can achieve our ambitious goal and reach 20 million sqm of GLA and over €1.2 billion of annualised rental income before the end of the decade."

Consolidating our position

The CTPark Network provides unique and seamless, A-class industrial and logistics property solutions to global business across ten countries, from the North Sea to the Black Sea.

In 2023 we continued to bolster our market share in all markets— primarily by providing expansion facilities to our existing clients, either at their current location or at a new location in our expanding parks. We further solidified our position as market leader in CEE, consolidating our leadership in our Core Markets and accelerating our expansion in Serbia and Bulgaria, where we are also market leaders.

During the year we grew both our teams and market share in Germany and Poland, the largest and third-largest logistics markets in continental Europe, which we entered in 2022.

Germany remains the largest economy in Europe and is going through an impressive modernisation of its economy. This has led to an increased need for new A-class industrial and logistics space that complies with all client requirements, and newly, ESG criteria. We see significant opportunities in the German market, especially for brownfield transformations, and believe that our expertise and skillset can play in important role in upgrading industrial & logistics stock in Germany.

Polish market conditions, where the prevailing trader-developer model is under greater pressure due to the higher interest-rate environment, have allowed us to expand our presence in the country rapidly. CTP's build-to-own business model has proven to be more sustainable and resilient, which is also appreciated by our clients in Poland.

Monetisation of the energy business

In 2023 we accelerated the roll-out of photovoltaic systems and are testing different business models across the countries where we operate. The installations put in place in 2023 will boost our solar income from 2024 onwards. We see strong synergies for our renewable energy business and growth opportunities, with the energy business further bolstering our ESG credentials while providing an important and sustainable third income stream for the Company going forward. At the same time, more and more clients request photovoltaic systems as it provides them with energy security, reduces their overall cost of occupancy, and supports their own sustainability goals.

While we have historically built our buildings "solar ready", the installation of rooftop solar panels is standard for all new building projects and is an integral part of our strategy going forward.

Parkmakers at heart

We grew the team in 2023 to over 730 people, with a nearly 50/50 male to female ratio and average employee age of around 38 years. None of our successes would have been possible without our team of dedicated professionals, and I would like to thank and congratulate all of them for the successes that we have achieved together.

CTP is an entrepreneurial company. This is also anchored in our five deeply rooted values, which inspire our teams to do what they do best: develop sustainable, innovative and high-quality industrial & logistics parks and high-tech R&D campuses. Their hands-on, can-do attitude has made CTP what it is today, and I'm proud to see a new generation of young talent grow within the Company. They are Parkmakers at heart, creating dynamic business ecosystems, where we grow with our clients. They are the people on the ground, engaging with local communities, connecting our clients to local universities, schools, businesses and charities—the key to our ESG pillar of embedding parks in local communities and furthering our clients' ESG goals at the same time.

Outlook

Current geopolitical and macroeconomic trends benefit our core CEE markets, and this is just the beginning for this business-smart region. The continuation of structural market trends favours CTP's owner-operator business model, as we take a long-term, sustainable approach to our activities. We continue to grow with our clients in existing locations and can expand with them quickly to new locations as required.

We are confident that we can achieve our ambitious goal and reach 20 million sqm of GLA and over €1.2 billion of annualised rental income before the end of the decade. We have the land, we have the clients, we have the talent and tools. Full speed to 20 million!

Remon Vos
CEO
Amsterdam, 11 March 2024

1.6 Letter from the CFO

GRI 2-22

In 2023 we again delivered double-digit growth of both our Company specific adjusted EPRA earnings per share ("EPS") and EPRA Net Tangible Asset ("NTA") growth, continuing to deliver on the promises we set out during our IPO. We ended the year with strong results across all key financial indicators, with profit for the period of €922.6 million and next 12-month contracted rental revenues of €719 million. Gross rental income ("GRI") increased year-on-year by 17.9% to €571.9 million and 7.4% on a like-for-like basis. Net rental income ("NRI") grew year-on-year by 20.1% to €543.2 million, as we improved the NRI to GRI ratio by reducing service charge leakage across the portfolio. Company specific adjusted EPRA EPS increased by 18.5% and came to €0.73 per share, ahead of our guidance of €0.72 per share.

We had a record year in terms of deliveries, with over 1.2 million sqm of GLA coming online, bringing the total portfolio to 11.8 million sqm of GLA at year-end. The Group's gross asset value ("GAV") increased 18.7% year-on-year to €13.6 billion, mainly driven by deliveries of development projects.

In 2023 we saw a positive like-for-like revaluation of the portfolio of 2%, thanks to the growth of the estimated rental value ("ERV") across the portfolio, which more than offset the 40 basis points of reversionary yield widening during the year. Most of our portfolio is in higher-yielding assets in the CEE region, where the impact of yield widening is less than in Western European countries, where lower valuation yields prevailed. In total we have seen 80 basis points of yield widening since H1 2022. We expect continued strong revaluation of deliveries, driven by our two million sqm of GLA pipeline and industry leading YoC of above 10%. EPRA NTA increased 15.8% y-o-y to €15.92 per share, mainly driven by positive revaluation deliveries.

"Building on our strong results in 2023 and robust occupier demand, our priority for 2024 is to mobilise the existing landbank we have already bought, which further enhances our financial returns."

Strong liquidity position

We ended 2023 with a liquidity position of €1.2 billion, or €1.9 billion on a pro-forma basis including the loan facilities we signed in January–February 2024, the €750 million bond issued at the beginning of February 2024 and the concurrent bond tender offer of €250 million. Our strong cash position and undrawn revolving credit facility, combined with our access to bond markets and bank financing, puts us in a prime position to act quickly and seize growth opportunities as they arise. Given the current market conditions and the strength of CTP's build-to-own business model, we anticipate significant investment opportunities in the coming years.

While in 2023 we mainly relied on both secured and unsecured bank lending, which was offered at more attractive rates, pricing in the bond market started to rationalise from the fourth quarter onwards, allowing us to go back to the bond market in February 2024.

CTP's financial position is further bolstered by strong underlying fundamentals: our average cost of debt of 1.95%, which is fully fixed or hedged until maturity, and our average debt maturity of 5.3 years. CTP's first material upcoming maturities are a bond in June 2025 (€425 million outstanding[1]) and a bond in October 2025 (€282 million outstanding[1]), which can be fully repaid from our cash position.

The Company's Loan-to-Value ("LTV") ratio stood at 46% at year-end 2023, slightly above our 40%–45% target range, due to the yield widening seen in 2023 and the highly attractive landbank acquisitions we completed for cash payments during the fourth quarter. We deem the 40%–45% target range appropriate, as this reflects our above-market average portfolio yield. Our interest coverage ratio of 3.8x and normalised Net Debt to EBITDA of 9.2x reflect healthy cash-flow leverage. In Q3 2023, both S&P and Moody's confirmed our BBB- and Baa3 credit rating, respectively, both with a stable outlook.

Capital allocation priorities—requirements for returns

Based on our strong results in 2023 and robust occupier demand, our priority for 2024 is to mobilise the existing landbank we have already bought, which further enhances our financial returns. As illustrated during our Capital Markets Day, we can develop over 1 million sqm without affecting the leverage metrics, on the back of our YoC target of over 10%.

1 After settlement tender offer on 7 February 2024.

Deepening our ESG goals and improving disclosure

In line with CTP's long-term business principles and strategy going forward, sustainability and the principles of ESG are integral to our operations at all levels. This year we are publishing our Sustainability Report as an integral part of this Annual Report.

CTP's new energy business provides a third revenue stream for the Company while enhancing our ESG credentials and offer for clients, who increasingly require high levels of ESG compliance for their leased premises. Solar income in 2023 came to €6.3 million, and by year-end we had 100 MWp installed.

During the year we continued our long-standing commitment to deliver state-of-the-art, energy efficient buildings that meet high BREEAM and EPC standards across the portfolio.

Dividend

We propose a final 2023 dividend of €0.275 per ordinary share, which will be paid, subject to approval by the Annual General Meeting, in May 2024. This will bring the total 2023 dividend to €0.525 per ordinary share, which represents a pay-out ratio of 72% of our Company specific adjusted EPS, and a growth of 16.7% compared to 2022.

Outlook

We confirm our Company specific adjusted EPS guidance of €0.80–€0.82 for 2024. We remain bullish on our prospects for 2024 and beyond. CTP is well positioned, thanks to our robust balance sheet and strong liquidity position; our disciplined capital allocation and industry-leading YoC; our conservative debt repayment profile, high interest coverage and good access to credit markets; our well-diversified client base with blue-chip multinationals, which continue to expand with us; and the strong cash-flow generation of our standing portfolio, which is supported by an increasing number of leases linked to inflation and continued rental growth driven by the secular growth drivers in the CEE region and the industrial & logistics property sector.

Richard Wilkinson
CFO
Amsterdam, 11 March 2024

1.7 Letter from the Chairwoman

Dear Shareholders,

The economic and geopolitical uncertainty of recent years continued in 2023. The high inflationary environment in 2022 led central banks around the world to raise interest rates to levels not seen in over 20 years. This had a material effect on the real estate sector, which is by nature capital intensive. In the second half of the year, inflation started to moderate and tail-off and in some markets is getting close to central bank targets. However, the first rate cuts from either the US Federal Reserve, the European Central Bank or the Bank of England have yet to come.

In this context I am very proud of the performance of our teams and the resilience of our business model. The industrial & logistics real estate market remains exceptionally dynamic, and CTP continued to outperform in 2023 and kept its double-digit pace. We did so thanks to our geographical footprint, client-centric approach, and disciplined capital allocation.

In addition, we saw a continuation of deglobalising trends. Global supply chains are being reconfigured, reflecting international tensions and regional conflicts in Ukraine and the Middle East. The re-routing of shipping lanes due to safety concerns in the Red Sea not only brings additional costs and complexity for logistics operators, it also leads to companies holding more stock and reconsidering their production value chains.

The Board closely monitors ongoing macroeconomic and geopolitical changes and constantly evaluates whether there is a need to adapt the Group's growth strategy. With its entrepreneurial culture and market leading position in most of its markets, CTP is well positioned to benefit from these changes by delivering new buildings to meet growing tenant demand. Overall, we see an improving market sentiment and the transaction market becoming more active again.

"Embedding CTP parks into the communities where they are located has always been part of the Group's strategy as long-term owner and operator."

"Reindustrialisation of Europe"

Increased trade tariffs, sanctions, security concerns around major transportation routes, as well as ESG considerations all lead to more local production for local consumption. This offers opportunities in CEE, similar to Mexico, which has become the largest producer and trading partner for the US, replacing China. The CEE region is a great production location for Europe and will continue to benefit from these ongoing trends, given its competitive labour rates, educated and motivated workforce and good infrastructure. This can be either Asian or US companies who start to produce in Europe for the European market, or Western European companies who decide not to open their next production location in China but in, for example, Romania or Serbia.

Nearshoring and friend-shoring are among the main demand drivers for the I&L sector across Europe as companies seek to enhance the resiliency of their supply chains. New industries are emerging as growth drivers within Europe, for example the defense industry is increasing its space requirements, as are companies active in the energy transition and EV mobility as these pick-up speed. With our build-to-own strategy we are the ideal partner for many of these manufacturing companies looking to expand in Europe.

Governance

By the end of 2022, CTP had established a Sustainability Committee as a subcommittee of the Board of Directors to oversee the ESG agenda of the Group. In 2023, five meetings of the Sustainability Committee took place.

CTP's sustainability efforts in 2023 were recognised by Sustainalytics with an ESG Risk Rating of 9.5 and assessed as Negligible Risk. During the year we also received 61 new BREEAM certificates, 57% of which were rated "Excellent" or "Outstanding", as we are stepping up our ESG efforts. Embedding CTP parks into the communities where they are located has always been part of the Company's strategy as a long-term owner and operator. Last year, we opened our fifth Clubhaus park community centre, which offers a restaurant, public spaces, and medical, educational, and sports facilities for our clients and their employees as well as for the local community.

As a Board we appreciate the ongoing dialogue with our shareholders and are committed to continuing this, both ahead of CTP's Annual General Meeting ("AGM") as well as on an ad-hoc basis. Sound governance is a key component of CTP's culture, behaviour and management and is consistent with its core values and purpose.

During 2023 CTP prepared for the implementation of the new Dutch Corporate Governance Code. Internal rules and procedures were amended to fit the new Code. By tabling the Code as a separate item for discussion at our AGM on 23 April 2024 in Amsterdam, we follow the recommendation of the Dutch Monitoring Committee. At the AGM CTP will propose to shareholders an updated remuneration policy in respect of the remuneration of the Company's Executive Directors and Non-Executive Directors, as the current policy dated from the IPO. The updated policy will enhance the alignment of interest and bolster long-term value creation, among others, by inclusion of ESG KPI's in the short-term and long-term incentives.

Furthermore, I am very pleased to propose two new Non-Executive Directors to the shareholders at the AGM—Mr. Rodolphe Schoettel and Ms. Kari Pitkin, replacing Mr. Gerard van Kesteren and Mr. Pavel Trenka, who both will not be available for reappointment. I want to express my deep gratitude to Pavel and Gerard for all their contributions during the years, as CTP entered a new growth phase and transformed from being privately held to a listed company.

Efforts recognised

The CTP share price performed well in 2023 and we outperformed the broader FTSE EPRA NAREIT Developed Europe Index, reflecting CTP's strong financial and operational performance and the Group's consistent delivery on its promises.

On behalf of all Non-Executive Directors, I would like to thank our clients, shareholders, partners, and other valued stakeholders for their trust and support. In addition, I want to thank all CTP employees and the Senior Management for their hard work and commitment.

We had another record year with 1.2 million sqm of deliveries and 2 million sqm of new leases signed, which wouldn't have been possible without you all.

We look forward to seeing you at the AGM!

On behalf of the Board,

Barbara Knoflach
Chairwoman
Amsterdam, 11 March 2024

1.8 IR Q&A

In 2023, we celebrated the second-year anniversary of CTP's listing on Euronext Amsterdam. We hosted our second Capital Market Day, welcoming over 45 investors and sell-side analysts in Brno, followed by a property tour of our Czech, Polish, Slovak, Hungarian and Austrian assets. The total shareholder return (dividend reinvested) over 2023 was 43.9%, outperforming our European peers.

What is your expected like-for-like rental growth in 2024?
We expect like-for-like rental growth in 2024 to be around 5%, driven by indexation and reversion. As at year-end 2023, 66% of our contracts had a double indexation clause, with indexation being the higher of (i) a fixed escalator of between 1.5%–2.5% or (ii) the local or European Consumer Price Index ("CPI"). The remaining 34% of the contracts have only a fixed escalator. Based on this mix and the levels of the local and European CPI, we expect indexation to contribute around 4% to the like-for-like rental growth, on top of which we will have the reversion of expiring leases. The reversionary potential of our portfolio at year-end 2023 stood at 14.5%.

How do you see the demand and pre-letting to evolve going forward?
The demand in the CEE regions remains strong. In 2023 we leased 5% more sqm than in 2022, while the average monthly rent per sqm for the leases signed increased 18% from €4.82 in 2022 to €5.69 in 2023.

Based on this continued strong demand, we expect to be able—in line with our track record—to deliver projects 80%–90% pre-let at completion, as most of CTP's projects currently under construction are within an existing park—72% as at 31 December 2023. In some cases, we begin construction without having a pre-let secured. This is because in existing parks, CTP has clear visibility on future client demand, since most new leases are signed with existing clients. During the course of construction, the pre-letting ticks up to 80%–90% at completion. Starting construction in advance gives CTP a competitive advantage when existing tenants want to expand in their existing locations or when clients need space available within a short timeframe.

Why is the CEE region outperforming?

The CEE region is "business-smart" due to its competitive total labour costs that are one-third of what they are in Western Europe and comparable with China; its strong work ethic; and high infrastructure investments that are constantly improving transport links. There are several secular demand drivers: (i) nearshoring, as companies look to de-risk and shorten their supply chains, with CEE countries ranked high as likely destinations—for example, currently nearly 10% of CTP's portfolio is leased to Asian tenants producing in Europe for Europe; (ii) continued e-commerce growth, which comes from a low base; and (iii) professionalisation of supply chains, with above-average GDP growth forecasts for the CEE region and the rise of the middle class supporting consumption.

As CEE markets are still undersupplied in terms of GLA per capita and new supply barriers are rising, CTP is uniquely positioned, thanks to its first-mover advantage and strategically positioned landbank, to further bolster its leading market position.

Have valuations bottomed out?

In 2023, we saw a like-for-like valuation increase of 2.0%, despite the 40bps reversionary yield widening, which was more than fully offset by strong ERV growth.

Looking forward, we don't foresee any further material yield widening, while we expect strong client demand to continue to drive ERV growth and support valuations. Since H1-2022, CTP has seen a cumulative yield widening of 80bps, slightly less than in Western European markets, where yields had tightened much more. The lower yields in Western Europe and increased yield spread were driven by a more active transaction market in Western Europe, while in CEE most investors developed assets for their own portfolio, leading to a lower number of transactions. Due to the lower yield widening in CEE, the differential between CEE and Western European logistics now is back to the long-term average, and we expect it to come down further driven by the higher growth prospects for the CEE region.

How will you fund your ambitious development pipeline?

As shown during our Capital Markets Day, we can develop over 1 million sqm a year without affecting the leverage metrics, thanks to the high revaluation potential upon completion—with assets revalued from their >10% YoC to the portfolio yield of 6.7%—as well as the retained earnings from our standing portfolio.

While we have a dividend pay-out ratio of 70%–80%, the default dividend is paid in scrip, allowing the Group to retain a material amount of cash. We therefore don't need to raise new equity to finance the current pipeline, with 2024 deliveries expected to be between 1 million sqm–1.5 million sqm.

During 2023 we demonstrated our excellent access to the credit markets as we raised €1.6 billion, of which €641 million is unsecured bank lending and €916 million secured bank lending. The spreads in the bond market also became competitive again for real estate issuers from the fourth quarter of 2023, following which CTP issued a €750 million bond with a 4.75% coupon (MS +220 bps) in February 2024. The Group's pro-forma liquidity stands at €1.9 billion.

Is CTP's YoC of above 10% sustainable?

Our construction costs are coming down. While in 2022, construction costs on average were around €550/sqm, in 2023 they were around €500/sqm and we expect them to stay around this level throughout 2024, as the overall construction market is cooling down, with less new offices and residential projects being built in the higher interest rate environment. As we act as our own general contractor, CTP is typically one of the first in the industry to notice these trends. In addition, market rents continue to increase due to strong demand and lower supply coming to the market in 2024. These two effects combined allow us to continue to develop at a YoC of above 10%, while staying competitive.

What are your capital allocation priorities?

Investing in our development pipeline is the priority. For this we plan to mobilise our existing landbank, which is already paid for and was valued at €920 million as at 31 December 2023, as this gives us the highest incremental return.

New landbank acquisitions are preferably executed through options—limiting capital outflows, while giving CTP maximum flexibility—which is feasible in the current market, as the market for land acquisition has slowed down in the higher interest rate environment. We will also look opportunistically to benefit from the current macro-environment, which we expect will offer acquisition opportunities.

Maarten Otte
Head of Investor Relations
Amsterdam, 11 March 2024

CTP Strategy & Outlook

2

CTP Strategy & Outlook

CTP Strategy & Outlook

ESRS 2 SBM-1-42, GRI 2-6, GRI 2-25

CTP's strategy has been consistent since the Company's start in 1998: to develop, own and operate state-of-the-art business parks in strategic locations, leveraging its strong client relationships and driving sustainable, long-term value creation. The Company's unprecedented success stems from its entrepreneurial spirit, market insight, and first-mover advantages in business-smart Central and Eastern Europe ("CEE"). The drivers that have led the growth of CEE markets over the past decade—strategic location, developed transport infrastructure, lower labour costs, and a well-educated workforce—are even more relevant today, as companies worldwide are rethinking their supply chains to make them more resilient. CTP's successful recent expansion into Western Europe and the strengthening of its position as market leader in CEE enables it to provide seamless, value-driven property solutions across ten European markets.

The Group forecasts sustainable growth for 2024 and the medium term on the back of continued strong client demand, increased rental levels, and CTP's strategic landbank of over 23 million sqm, which it can mobilise to meet growing demand. CTP is confident that the secular growth drivers for its markets and sector will allow the Group to continue to deliver developments at a Yield on Cost ("YoC") above 10%.

2.1 CTP's Business Model: "Wheel of Growth"

CTP's "Wheel of Growth" business model consists of two interconnected core business units that encompass the Group's activities:

- The developer, where CTP invests in developing cost-efficient, future-proof buildings, leveraging its strategically located landbank; and
- The operator, where CTP manages and operates its properties to service its international client base while maximising value.

The "Wheel of Growth" demonstrates how the activities of CTP's two core business units come together in conjunction with the Group's new energy business, which provides renewable energy produced onsite for CTP's clients. CTP's strategy enables the Company to retain ownership and maintain strong, long-term client relationships.

Delivering sustainable growth via the "Wheel of Growth" model

Integral to CTP's "Wheel of Growth" model is the support that its in-house property management and client-relationship teams provide to the Company's clients, which enables them to stay focused on their core business activities. The success of CTP's "Wheel of Growth" model drives future Company growth, as approximately two-thirds of new leases each year are signed with existing clients—the vast majority of which are large multinationals—both at their current location and at new locations across the CTPark Network. CTP's park strategy—which is based on scaling up its parks by adding onsite services, improving infrastructure for its clients and enabling them to expand in existing locations, together with the strategic use of its landbank and in-house capabilities—enables the Group to realise industry-leading development returns.

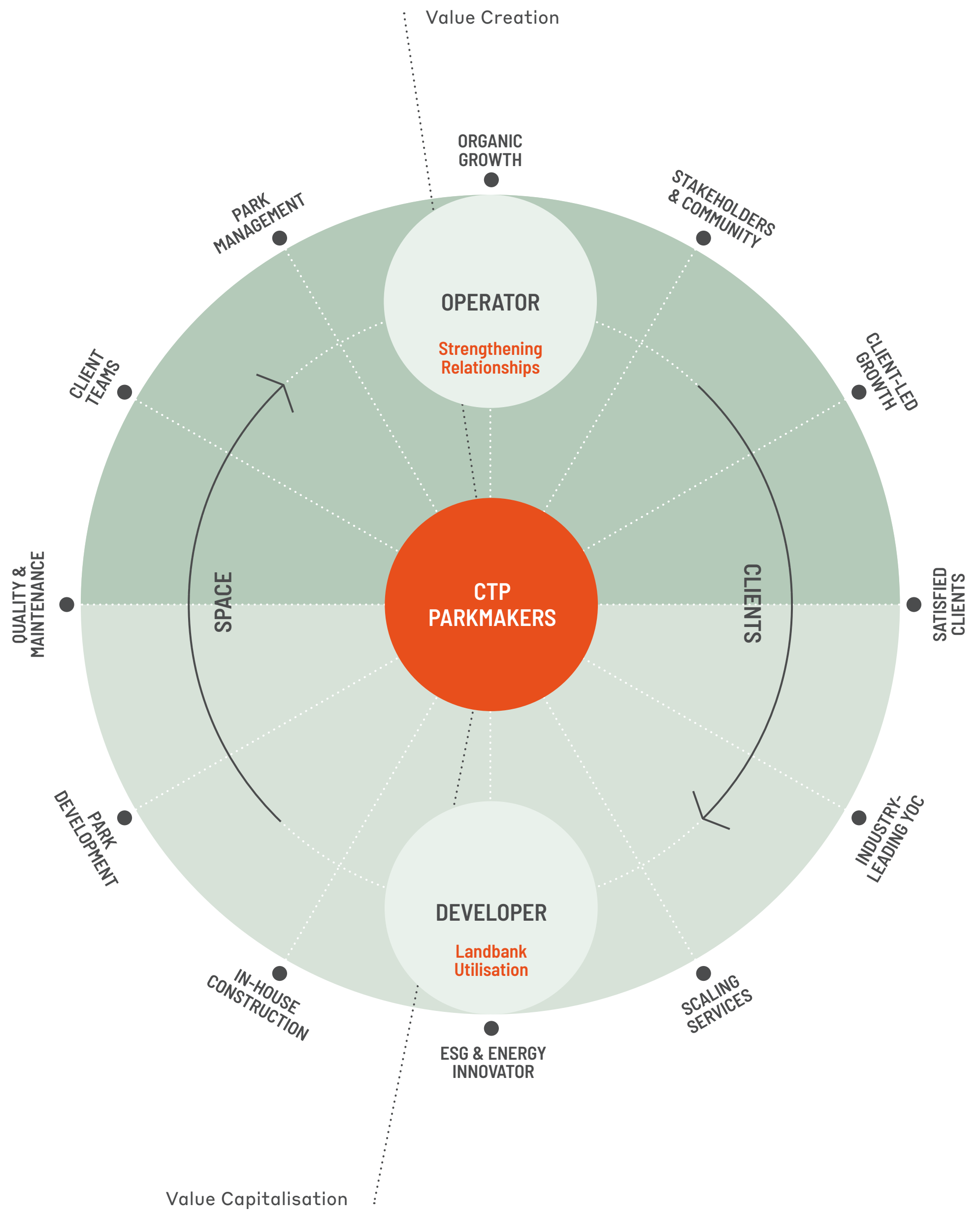
CTP's "Wheel of Growth" business model has allowed the Group to grow the business by generating industry-leading development profits and reinvesting cash flows generated by the long-term leases of its standing assets in new developments, without the need for external equity. CTP's business model has proven to be resilient—also in a higher interest-rate environment.

Energy as a service for the Group's clients

The Group's new sustainable energy business is an additional source of income for CTP. The Group's properties provide significant space for the installation of rooftop solar panels and wind turbines. The Group also supports its clients with energy management and is working on future opportunities in the field of electric vehicle charging stations and energy storage.

By year-end 2023, CTP had 100 MWp of installed solar power capacity. Building on the momentum created by recent geopolitical developments, which emphasise the need for more self-reliant sourcing of energy and environmental considerations, CTP plans to monetise its energy-generating installations by selling the green energy produced onsite to its clients. Offering integrated energy solutions lowers clients' total cost of occupancy, helps them to meet their Environmental, Social and Governance ("ESG") objectives and comply with increased regulation, and improves their energy security. CTP has set an ambitious target for this fast-growing business unit to reach 400 MWp of installed solar capacity by the end of 2026, thereby moving the Company further towards meeting its ESG aspirations as well as growing additional income streams.

2.1 CTP's Business Model: "Wheel of Growth"



2.2 Growth Plan and 20 Million sqm GLA Target

CTP targets to own and operate a pan-European network of business parks with total gross leasable area ("GLA") of 20 million sqm before the end of the decade, nearly doubling its current portfolio of 11.8 million sqm and generating annualised rental income of over €1.2 billion.

These targets go hand in hand with the Group's robust financial framework with 1) a loan-to-value ("LTV") target between 40%-45%, 2) a target YoC of over 10% for the Group and 11% across the Group's core CEE markets, 3) a WAULT above six years, and 4) an occupancy level of around 95%.

CTP expects that the scale of its business, its flexibility in offering its clients scalable solutions and its ESG commitment will continue to position the Company ahead of its competitors. The Group's strong liquidity position and capital structure enable it to act quickly to capitalise on opportunities. Key factors of CTP's continued market leadership include its strong, long-term client relationships and business ecosystem combined with its strategic landbank, the vast majority of which is located in or adjacent to its existing parks. This enables the Company's clients to expand at their existing locations, while CTP's in-house capabilities allow for shorter construction times. In addition, the photovoltaic rooftop capacity of CTP's buildings offer a unique opportunity for the Group to develop a sizeable renewable energy business delivering attractive returns, with a YoC on renewable energy-related investments above 15%.

Capital allocation

CTP's in-house construction teams and centralised procurement capabilities, together with increasing market rents, enable the Company to continue to deliver at an industry-leading double-digit YoC. Since its start in 1998, CTP has assembled one of Europe's largest industrial & logisitcs ("I&L") real estate portfolios by focusing on high development returns and reinvesting cash flows from its standing assets. To keep leverage metrics in line with the Group's financial framework, CTP focuses on developing in countries with higher revaluation potential at delivery—subject to the availability of landbank and client demand.

The Group's priority is to mobilise its existing landbank, which is already paid for, as this results in the highest incremental return. CTP's preference is to secure additional land plots through options in order to limit the amount of capital allocated to non-income generating assets.

ESG

ESRS 2 SBM-1-40, ESRS 2 SBM-1-41, ESRS 2 SBM-1-42, GRI 201-1

CTP enhances its offer to clients by having ESG as an integral part of its Parkmaker concept to ensure that the Group's parks maintain their relevancy over the long term for all stakeholders. Inputs are gathered from industry reports, market analysis, relations with stakeholders including clients and suppliers.

CTP's overall ESG strategy is based on four guiding principles: (i) Striving to Be Climate Positive; (ii) Embedding Parks in Communities; (iii) Stimulating Social Impact & Well-being; and (iv) Conducting Business with Integrity. These principles support 10 of the 17 United Nations Sustainability Development Goals. Focus areas have been adjusted based on the outcome of materiality assessments. CTP has also carried out a full analysis of its physical and climate-transition risks. The Group's ESG targets have been set in accordance with materiality assessments and risk analyses.

CTP's long-term ambition is to become carbon neutral in line with the Paris Agreement. To minimise its carbon footprint, CTP focuses on the full value chain, from design and construction to operations and maintenance.

The Group has a long history of developing industry-leading sustainable buildings. As the long-term owner of its business parks, CTP makes significant investments to ensure that its buildings are built future-proof in terms of energy efficiency—which reduces the overall occupancy cost for clients—and that they are constructed and operated in line with circular economy principles of waste management, recycling and resource usage.

CTP actively engages the stakeholders in its value chain. Examples include the green lease agreements that the Group signs with its clients; community events that are organised to integrate CTP's parks into local communities; and onsite amenities that include CTP's community Clubhaus space, with restaurants, shops, relaxation spaces, and sport and medical facilities available to the workforces of CTP's clients.

CTP culture and organisation

Integral to the achievement of CTP's ambitious goals and targets is its team, which at year-end 2023 consisted of 746 employees (headcount). CTP's organisation is comprised of a corporate international team and country teams. Where possible, decision making is delegated to the country management teams, whose detailed local knowledge plays a pivotal role in securing operational results. Local knowledge helps CTP's country teams accelerate development and proactively secure land positions at strategic locations to meet client requirements.

CTP's international team provides a strategic outline and funding, allocates capital, and provides central support by way of scalable systems and processes.

CTP continues to have a healthy gender diversity ratio of 54% men and 46% women, while at the Board level two of the six Board members are women.

The Group has five deeply rooted values (commitment, entrepreneurial, accountability, sustainability and community) that inspire its teams to do what they do best: develop sustainable, innovative and high-quality I&L buildings. As a long-term owner, CTP's responsibility towards its partners, clients, communities, employees and other stakeholders is safeguarded by its values.

The expertise of the Group's professionals and their responsiveness to market trends, new technologies, and client needs—which often change during their tenancy—have made CTP the market leader it is today and allowed the Group to provide shareholders with superior and long-term sustainable returns.

CTP's employees have a real “can-do” mentality, with a clear sense of commitment to deliver the best possible product for the Group's clients and the communities where it operates.

Engagement

ESRS 2 SBM-2-45

CTP's stakeholder relationships provide a significant competitive advantage, as the Group leverages these relationships as a strategic value driver. CTP maintains an ongoing dialogue with all of the Group's stakeholders, including clients, their workforce, sub-contractors, authorities, CTP's workforce, shareholders, debt providers, and the local communities where it operates.

The Group is aware that its activities impact the environment where it co-exists with surrounding communities. The Company's long-term partnership approach and proactive engagement with communities, local authorities and municipalities add value to the wider socio-economic ecosystem.

Capitalising on market opportunities

The I&L sector is transitioning from being a pure cost centre to a driver of performance (see Section 3.1 for more details). This transition results in a holistic view of real estate in a client's total operations, including labour, total supply-chain costs and ESG, in order to optimise their total cost of occupancy. CTP accommodates this by:

- improving efficiency in I&L networks, thanks to its strategically located CTParks and building layouts, which also allow clients to expand at their existing locations;
- supporting increased ESG requirements focused on sustainable supply chains and providing amenities/ services to attract and retain local workers;
- developing properties with renewable energy sources that also bolster energy security, which is especially key when client operations are highly automated; and
- guaranteeing flexibility and speed by established in-house teams and scale to expand throughout the CTPark Network.

With its business model and strategy, CTP is well positioned to capitalise on market opportunities and accommodate changing client requirements. This is reflected in the Company's high repeat business, as approximately two-thirds of all new leases signed each year are with existing clients. CTP's parks enable positive network effects for all stakeholders:

- for Clients – by providing the opportunity to expand at the same location or elsewhere within the CTPark Network, improved infrastructure, the exchange of expertise and services between clients, and scale to have access to services and amenities for their employees that are not feasible for stand-alone units;
- for Communities – by providing access to services offered at parks and investments in public transport and green areas; and
- for CTP – by enabling market leadership, efficiency, and growth with existing clients, allowing for industry-leading returns.

2.3 Outlook for 2024

Leasing dynamics in the I&L sector in CEE markets remain strong, despite the macro economic slowdown in 2023. Secular growth drivers (see Section 3.1) as well as the decreasing availability of new supply result in low vacancy across CTP's markets and continued rental growth.

CTP is well positioned to benefit from these trends. The Group's pipeline is highly profitable and client led, allowing the Group to deliver sustainable and profitable growth—also in the current higher interest-rate environment.

The YoC for CTP's pipeline increased to 10.3% as at end-2023. The target for new projects across the Group is over 10%, thanks to decreasing construction costs and rental growth. The next stage of growth is built in and financed with 2.0 million sqm under construction as at year end-2023.

CTP's robust capital structure, disciplined financial policy, strong credit market access, industry-leading landbank, in-house construction expertise and strong, long-standing client relationships allow the Company to deliver on its targets, with the Group on track to reach 20 million sqm of GLA and €1.2 billion of annual rental income before the end of the decade.

The Group confirms its Company specific adjusted EPRA EPS guidance of €0.80–€0.82 for 2024, up 10%–13% year-on-year.

The guidance assumes a like-for-like rental growth of around 5%, driven by indexation and reversion on renegotiations and expiring leases, deliveries between 1 million sqm–1.5 million sqm in 2024, and a higher average cost of debt.

The Group maintains its dividend policy, paying out 70%–80% of its Company specific adjusted EPRA EPS. The default is a scrip dividend; shareholders can opt for a payment of the dividend in cash.

3

Business Environment

Business Environment

3.1 Business Environment and Trends

The resiliency of Europe's industrial & logistics ("I&L") sector is underpinned by multiple demand drivers and elevated barriers to new supply. Drivers of demand are diverse and include nearshoring, e-commerce, and increasing disposable income, while the Central and Eastern European ("CEE") markets remain undersupplied and are faster-growing than Western European markets. Elevated barriers include increased scarcity of land and a stricter regulatory environment.

Resiliency supported by sector drivers and barriers

The European I&L sector has historically done better than the overall economy. This perspective is supported by an analysis comparing GDP growth to the growth of occupied logistics stock. Between 2009–2022, total GDP growth in Europe was 12%, while occupied grade-A I&L stock more than doubled. This growth can be attributed to various demand drivers, among them the expansion of e-commerce, and a persistent undersupply in the markets. A similar analysis of office space growth in Europe (+15%) reveals that the office sector is more aligned with the GDP trend and can therefore be considered as more mature. The resiliency of I&L supports a positive outlook, despite the current turbulent macro-economic conditions especially in the undersupplied CEE markets.

I&L real estate has transitioned from being purely a cost centre to a catalyst of operational excellence. Companies now emphasise the efficiency, reliability, flexibility, and agility of their supply-chain networks. Grade-A real estate can support these priorities. This transition to a driver of performance makes sense from a core supply-chain cost perspective as well. According to CBRE Supply Chain Advisory, the majority of expenditures in logistics are allocated to transportation costs (45%–70%). The share of fixed facility costs (including real estate) is relatively small, accounting for only 5%–10%. CBRE estimates that it takes roughly an 8% increase in fixed facility costs to equal the impact of just a 1% increase in transportation costs. This is particularly important in an environment of high transportation costs and the greening of supply chains.

Nearshoring is a durable solution for clients to mitigate market volatility

An immediate response to mitigate the risks of supply-chain disruptions is for companies to hold higher inventories. Risks of disruptive events seem here to stay, and companies are prioritising the more durable solution of de-centralising global supply chains by nearshoring their operations closer to consumers. In addition to risk mitigation, another reason to prioritise nearshoring is the accelerated wage growth in traditionally low-cost Asian manufacturing markets. The trade-off between low-cost production in Asia and longer supply chains is no longer as attractive. According to Economic Research Institute and Salaryexpert.com, the average hourly rate for a fork-lift operator is at the same level in mainland China as in the Czech Republic. In CTP's other markets in CEE, rates are even lower. A third reason supporting nearshoring is its reduced environmental impact: a company can significantly lower its carbon footprint by reducing the intercontinental trans-shipment of goods and materials.

The demand driven by nearshoring is expected to be more concentrated in CEE—the "business-smart" region of Europe. The region is well situated from a geographical perspective, delivering access to the whole of Europe from a cost-effective location, supported by modern logistics infrastructure and connectivity and benefiting from major transportation hubs close to Europe's largest markets with high purchasing power. Equally, in terms of industrial activity, the region boasts high-end manufacturing capabilities in locations close to university cities with access to a highly skilled and motivated workforce. Favourable labour costs further contribute to cost-effective operations. Net labour costs (including taxes minus subsidies) in the transportation & storage and manufacturing sectors in CEE are typically one-fourth of those incurred in Western Europe.

For these reasons, the CEE region is attractive for companies seeking to take advantage of nearshoring, nearsourcing, and friendshoring. The CEE's favourability is reflected in multiple surveys, including the sourcing strategy report by Maersk.[1] For European companies, three of the top ten countries across the globe for nearshoring are in CEE. In addition to Poland, which heads the list, the ranking also includes Romania and the Czech Republic.

E-commerce is maturing, resulting in diverse demand and continued long-term growth
E-commerce penetration across the CEE region has expanded consistently since 2010 and is now closing the gap with the EU-27, having moved past its initial stages (defined as <5% e-commerce penetration) in 2015.[2]

In general, the CEE region compares favourably with the EU-27 in terms of the cumulative percentage growth of e-commerce penetration. Cumulative and projected e-commerce revenue growth from 2018–2028 indicates that CEE has surpassed the EU-27, with a Compound Annual Growth Rate ("CAGR") of 10%, compared to EU-27's CAGR of 8% and Western Europe's 7%.

1 *A Generational Shift in Sourcing Strategy: A Global and European Deep Dive into Near-Sourcing, Nearshoring and Reshoring in the Post-Pandemic World*, 2023.
2 E-commerce penetration is expressed in total e-commerce turnover of enterprises.

The growth rate of e-commerce user penetration in the CEE region between 2017–2028 is forecast to outpace that of the EU-27 by over 30 percentage points. Specifically, in Bulgaria, Romania, and Serbia, the number of e-commerce users is expected to more than triple between 2017 and 2028, showcasing the most significant growth in the region. Other CEE countries are also forecast to more than double their number of e-commerce users during this period Recent online sales numbers support CEE's e-commerce penetration growth: CEE achieved a notable 18% increase in online sales during Q4 2023, exceeding the growth of Western Europe (7.4%) by more than two times.[3]

Diversifying e-fulfilment demand is a result of more product categories (e.g., groceries) moving online, particularly since the Covid-19 pandemic. There is a broad range of sectors and company sizes active in CTP's markets. Demand is diverse but client requirements are focused on proximity to end-consumers, availability of labour, sufficient/reliable energy and the opportunity to expand. To successfully execute an online or omni-channel retail model, e-tailers require more flexible, well-located logistics properties that can accommodate their entire product range and enable them to deliver orders and manage returns quickly and cost effectively.

3 Western Europe includes Germany, France, Belgium, the Netherlands, and the United-Kingdom.

Long-term trend of diverse demand and undersupplied markets isolates market volatility
Demand in Europe's I&L sector is broad-based and originates from a diverse pool of client categories. This diversity across a wide range of categories isolates the risk of becoming too dependent on a single sector or client. CTP's client base is diverse, particularly in CEE markets, given the higher share of final assembly and manufacturing services.

This diverse demand is taking place in a market that is tight, as vacancy across Europe is below long-term averages. I&L is undersupplied, as the sector is a relatively young asset class compared to other commercial real estate. The pan-European market only emerged following the establishment of the Schengen visa-free trade zone. Undersupplied markets create structural demand as clients continue to upgrade to modern grade-A stock. Growth markets in CEE, such as Bulgaria and Serbia, have <0.25 sqm of grade-A stock per capita, which places them among the most undersupplied markets in Europe. These undersupplied markets are catching up, fuelling demand as they move closer to European averages. However, differences between markets remain, given differences in wealth and role in the pan-European supply chain.

Elevated supply barriers due to land scarcity and rising regulatory requirements create structural constraints
Barriers to new supply are expected to rise in years to come. This mitigates the risk of potential oversupply and is expected to keep market vacancy rates at low levels. Land is scarce in more mature markets such as Germany, the Netherlands, Austria and the Czech Republic. Supply barriers are rising in other CEE markets as well, particularly at sites close to key economic clusters. The second driver of constraints are rising regulatory requirements. Obtaining permits to (re)develop requires more time, delaying future new supply. Long and expanding regulatory requirements is a trend seen across Europe but is most visible in markets with the tightest supply, e.g., Germany, and the Czech Republic. Permitting timelines are expanding for multiple reasons, including lack of staff at public authorities and/or stricter requirements. As supply barriers are rising, today's infill markets are expected to become ultra-infill in the future. Therefore, supply barriers are also a driver of future rent growth performance.

Real estate market outlooks
The I&L sector has undergone maturation and institutionalisation since the 2007–2009 global financial crisis. This has led to more disciplined supply and structurally lower vacancy levels compared to 2007.

CEE offers better opportunities for greenfield developments than Western Europe, with per capita industrial building rates currently still lower than in Western Europe. In terms of the number of non-residential building permits issued (for millions of sqm of useful floor area) the CEE average lies below the EU-27 average. More specifically, Slovakia, Romania, Czech Republic, Serbia and Bulgaria have a lower than EU-27 average of building permits issued (for millions of sqm of useful floor area). Building permitting time is slightly higher in CEE compared to the EU-27. There has been a focus in CEE in recent years on building modern retail and industrial spaces. Occupier demand remained robust in the CEE region throughout 2023, primarily fueled by factors like nearshoring, e-commerce, and growth of domestic consumption. Overall, demand continues to surpass the supply of industrial stock, serving as a driver for rental growth.

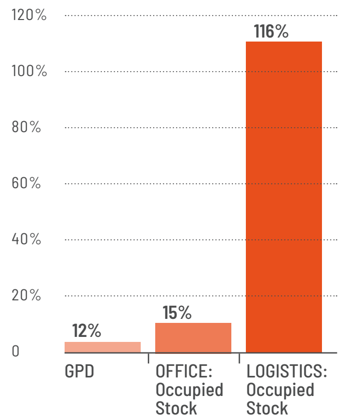
In the early months of 2023, numerous projects initiated during a phase of low interest rates and high demand were completed. As 2023 unfolded, the industrial supply decreased, as rising interest rates challenged the business model of developer traders. Supply is expected to remain moderate in 2024. The industrial market supply is acknowledged for its quick adaptation to changes in economic conditions due to shorter construction times compared to other types of real estate.

In 2023, overall net absorption remained positive for the Czech Republic and Poland, while negative for Western & Southern Europe. Despite slight increases seen in CEE, it is worth noting that vacancy rates remained below 5% in the Czech Republic, Slovakia, Romania, Serbia and Bulgaria. Net industrial building completions declined across the EU throughout 2023, encompassing Western and Southern Europe as well as CEE. Most new supply is built-to-suit, due to the demand/supply imbalance. Projections indicate an expected decrease in vacancy rates, an increase in net absorption from 2024 to 2028 across Europe.[4]

The combination of moderate vacancy, continued elevated demand, disciplined new supply and rising replacement costs resulted in elevated rental growth in many markets in 2023. European average prime rent growth was over 7% in 2023 and is forecast to average around 3% until 2028.[5] Two of the five fastest-growing markets are in CEE, mainly due to supply-demand imbalance (particularly the Czech Republic). The Group's Western European markets including Germany and the Netherlands benefit from multiple demand drivers including being entry points to Europe and economic engines of the EU with a large concentration of affluent consumption centres. At same time, these markets are facing high regulatory barriers and low land supply, leading to a structural demand and supply imbalance. This is a driver of rent growth today and of expected rental growth in the future.

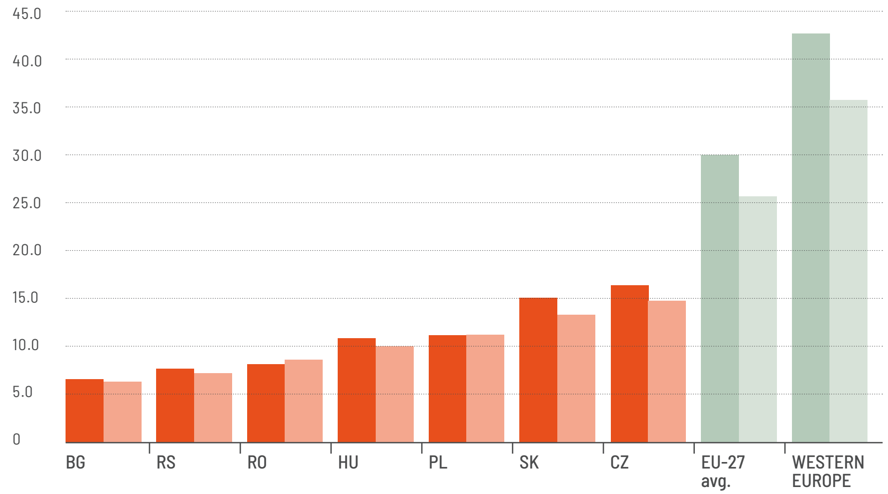
1 Information is solely accessible for Belgium, France, Germany, the UK, Italy, and Spain (representing Western and Southern Europe), as well as for the Czech Republic and Poland in the CEE region.
2 Countries included are: Belgium, Czech Republic, France, Germany, Italy, Netherlands, Poland, Spain, United Kingdom.

FIG. 3.1 GROWTH OF GDP, OFFICE AND LOGISTICS SECTORS IN 2009–2022 (%)



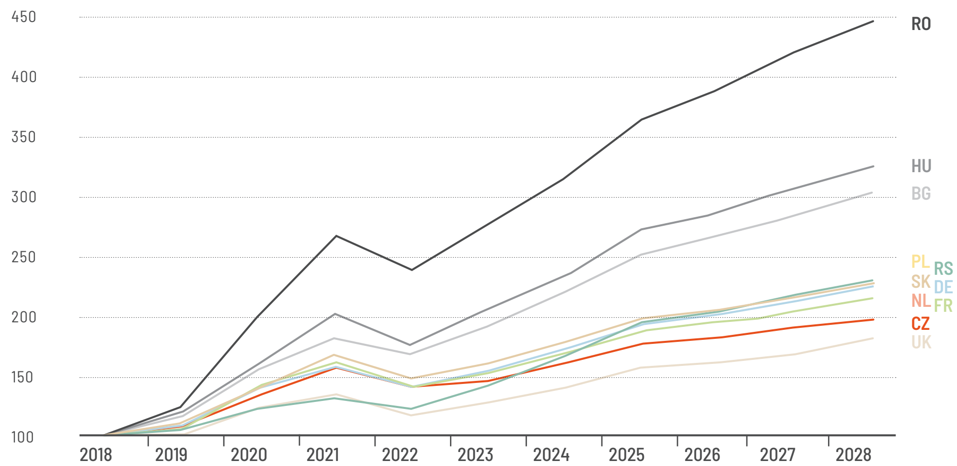
Source: IMF, CBRE

Fig. 3.2 net labour costs including taxes and excluding subsidies (transportation & storage and manufacturing) (€/hr, 2022)



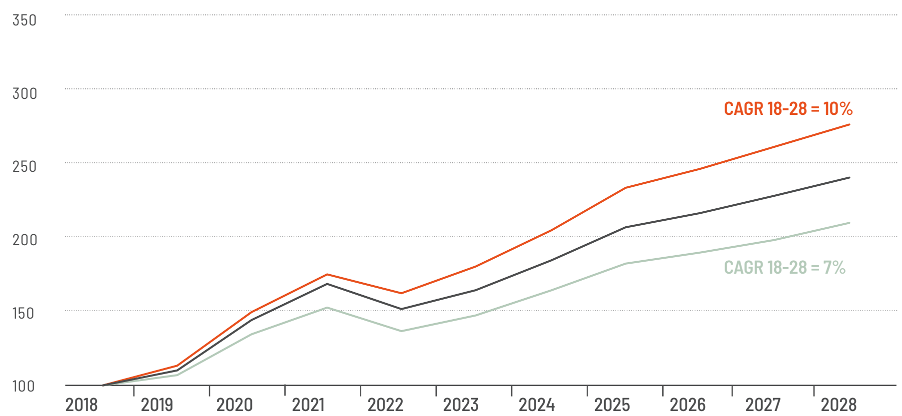
Source: Eurostat

FIG. 3.3 E-COMMERCE REVENUE, CUMULATIVE % GROWTH PER COUNTRY



Source: Eurostat, Statista

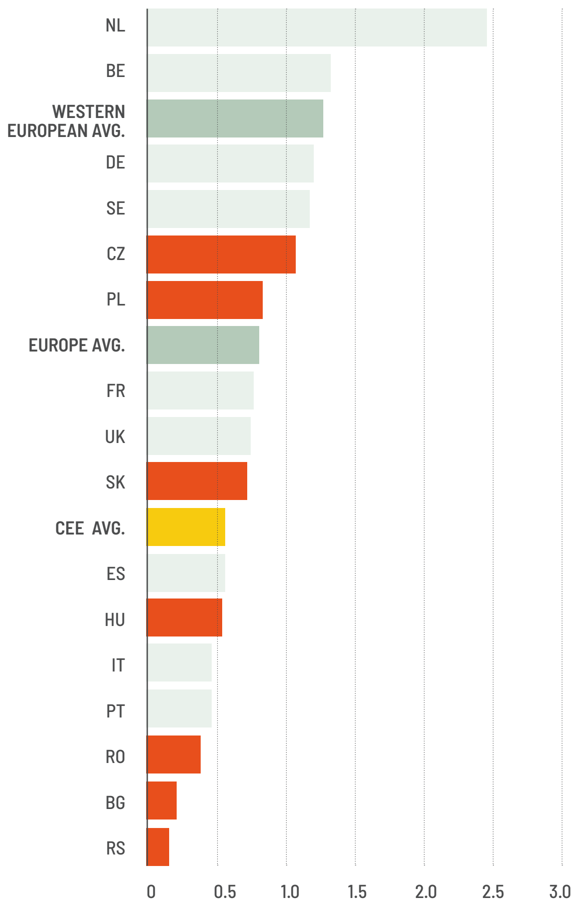
FIG. 3.4 E-COMMERCE REVENUE GROWTH (INDEX: 2018=100)



Source: Eurostat, Statista

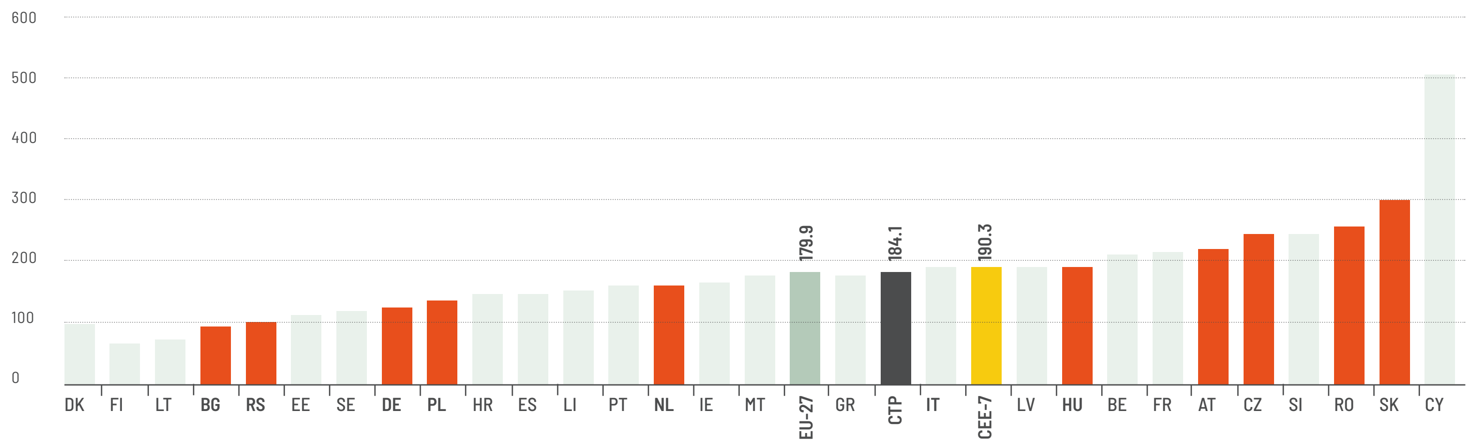
FIG. 3.5 STOCK PER CAPITA (Q4 2023)

(in sqm)



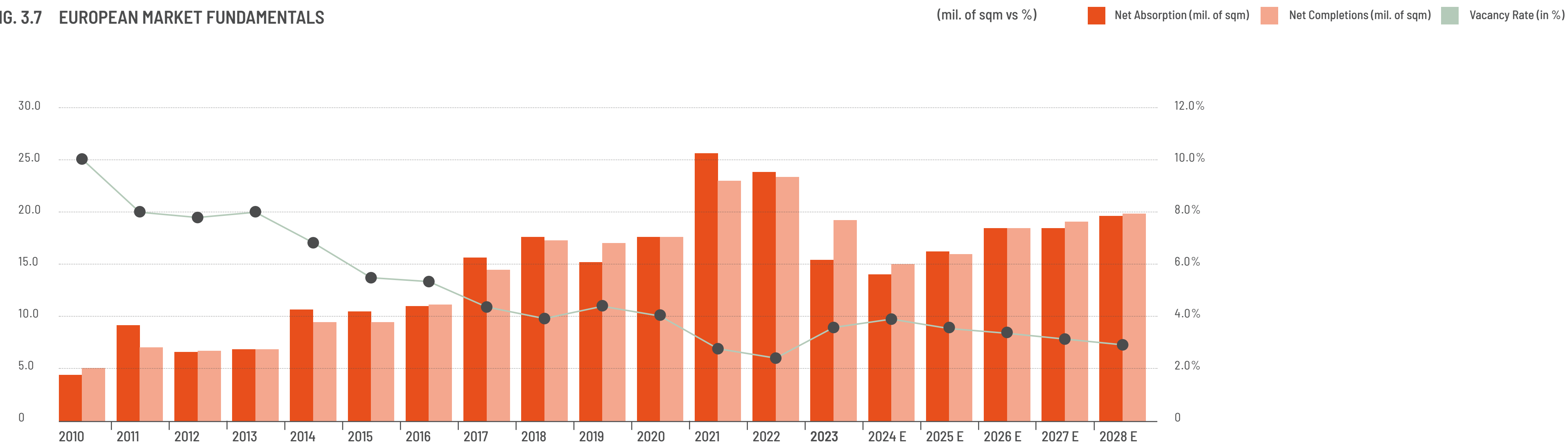
Source: CBRE

FIG. 3.6 RESIDENTIAL BUILDING PERMIT TIME (DAYS), 2020



Source: World Bank

FIG. 3.7 EUROPEAN MARKET FUNDAMENTALS



Source: CBRE

3.2 Operational Performance

Building on its strong cash-flow generating portfolio and unique in-house capabilities, CTP was able to double its gross leasable area ("GLA") compared to 2020 with another record-breaking year of developments. The Group remains on track to reach its goal of 20 million sqm of GLA before end of the decade.

LEASES SIGNED BY SQM

	Q1	Q2	Q3	Q4	FY
2022	441,000	452,000	505,000	485,000	1,883,000
2023	**297,000**	**552,000**	**585,000**	**542,000**	**1,976,000**
Increase	**-33%**	**+22%**	**+16%**	**+12%**	**+5%**

AVERAGE MONTHLY RENT LEASES SIGNED PER SQM (€)

	Q1	Q2	Q3	Q4	FY
2022	4.87	4.89	4.75	4.80	4.82
2023	**5.31**	**5.56**	**5.77**	**5.81**	**5.69**
Increase	**+9%**	**+14%**	**+19%**	**+21%**	**+18%**

Leasing demand

In 2023, CTP signed leases for 1,976,000 sqm, with contracted annual rental income of €135 million and an average monthly rent per sqm of €5.69 (2022: €4.82).

Around two-thirds of these leases were with existing clients, in line with CTP's business model of growing with existing clients in existing parks.

Some of the main leasing deals in 2023 included: 115,000 sqm with Raben Group, a third-party logistics provider; 27,000 sqm with Titan X, a global supplier of cooling systems for commercial vehicle manufacturers; 25,000 sqm with a German renewable energy developer and service provider; 25,000 sqm with TRUMPF Huettinger, a global manufacturer of power supplies for plasma coating, induction heating, and laser excitation processes—all in Poland; and 67,000 sqm with the Mercator supermarket chain in Serbia, which is centralising its distribution and warehousing requirements. Other new leases include 53,000 sqm with Taiwan-headquartered Inventec, which produces computers, notebooks, servers and other IoT devices; and 26,000 sqm with Vitesco, which develops electrified drive technologies—both in the Czech Republic; and 28,000 sqm with Jiangsu Xinquan Trim in Slovakia.

CTP's four Core Markets—the Czech Republic, Romania, Hungary, and Slovakia—represent over 74% of the Group's total owned GLA. CTP's average market share in those markets stood at 27.4% as at 31 December 2023, and the Group remains the largest owner and developer of industrial and logistics real estate assets in those markets. The Group is also the market leader in Serbia and Bulgaria.

With over 1,000 clients, CTP has a wide and diversified international client base, consisting of blue-chip companies with strong credit ratings. CTP's clients represent a broad range of industries, including manufacturing, high-tech/IT, automotive, and e-commerce, retail, wholesale, and third-party logistics. This client base is highly diversified, with no single client accounting for more than 2.5% of its annual rent roll, which leads to a stable income stream. CTP's top 50 clients only account for 33.1% of its rent roll and most are in multiple CTParks.

Standing portfolio

CTP develops, owns and manages a high-quality portfolio of assets in over 200 locations. In line with its Parkmaker and build-to-own business model with its vertically integrated operating platform, the Group increased its investment portfolio from 10.5 million sqm of owned GLA in 2022 to 11.8 million sqm at end-2023. Growth was driven by deliveries of 1.2 million sqm and the acquisition of 0.2 million sqm of value-add and income-producing assets. With its market-leading portfolio throughout continental Europe, the Group's business generates strong cash flows.

The Group's main driver of GLA growth in 2023 were the properties that CTP developed in-house, as the Group can realise the highest incremental return by developing on land that it has already paid for. In the current higher interest-rate environment, the Group is less active as a cash-buyer of standing assets, resulting in less investment in acquisitions in 2023 than in previous years.

The Group's next 12 months' revenue increased to €719 million (31 December 2022: €589 million), an increase year-on-year of 22%. The main drivers of this increase were 2023 deliveries (€66 million), income growth in the standing portfolio (€42 million), future developments (€12 million), and acquisitions (€10 million).

An increasing proportion of the rental income generated by CTP's investment portfolio benefits from inflation protection. Since end-2019, all the Group's new lease agreements include a double indexation clause, which calculates annual rental increases as the higher of:

- a fixed increase of 1.5%–2.5% a year; or
- the Consumer Price Index.

As at 31 December 2023, over 66% (49% at the end of 2022) of income generated by the Group's portfolio includes this double indexation clause, and the Group aims to increase this further. The remaining 34% of the portfolio has only a fixed increase of 1.5%–2.5% a year, and therefore more reversionary potential built-in. The indexation takes place on 1 January of each year in the majority of the lease agreements. Therefore, the growth in rental income relating to 2023 inflation will only be recorded in the 2024.

The Company's occupancy stood at 94% at year-end (31 December 2022: 94%). CTP targets an occupancy rate around 95% with a few percentage points of vacancy, as this flexibility is key to optimise client relationships and drive rental growth. CTP's business model is focused on being a long-term business partner, to allow existing clients to grow in their existing location or in another park within the CTPark Network. Some of CTP's clients have already extended more than five times in their existing location. CTP therefore starts some developments before having secured pre-letting; however, this is concentrated in existing parks, where the Company has good visibility on future demand and knows the market well. This allows CTP to have a market-leading client retention rate of 90% (31 December 2022: 90%), which demonstrates CTP's ability to leverage long-standing client relationships.

The rent collection level slightly increased to 99.9% (31 December 2022: 99.7%), with no deterioration in payment profile.

In 2023, CTP realised a like-for-like growth of 7.4%, mainly driven by reversion and indexation. Countries with the highest like-for-like rental growth were Hungary, Romania and Bulgaria.

The weighted average unexpired lease term ("WAULT") of CTP's investment portfolio stood at 6.6 years at the period end (31 December 2022: 6.5 years), in line with the Company's target of >6 years.

The reversionary potential stands at 14.5% as at 31 December 2023 (31 December 2022 12.5%), illustrating the future rental growth potential. The Group has the highest reversionary potential in the Czech Republic with 22.2%.

Based on the expiry schedule, the Group is expected to be able to capture more than 33% of the reversionary potential in the coming five years. During 2023, leases were signed on average above their estimated rental value ("ERV"), supporting both the Group's reversionary potential and valuations.

FIG. 3.8 GLA

('000s sqm)

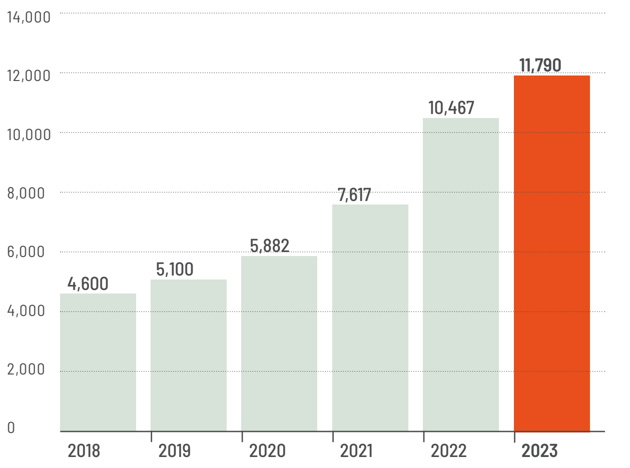
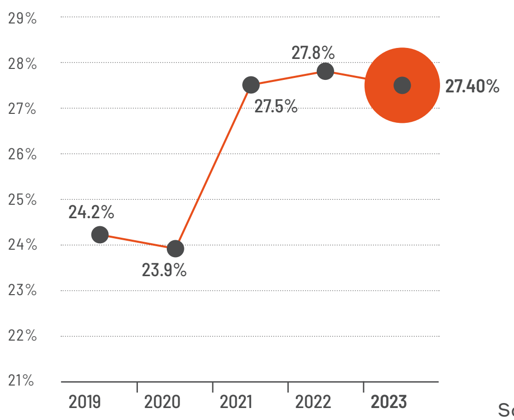


FIG. 3.9 CTP MARKET SHARE EVOLUTION OF IN-PLACE GLA, (CORE MARKETS *)

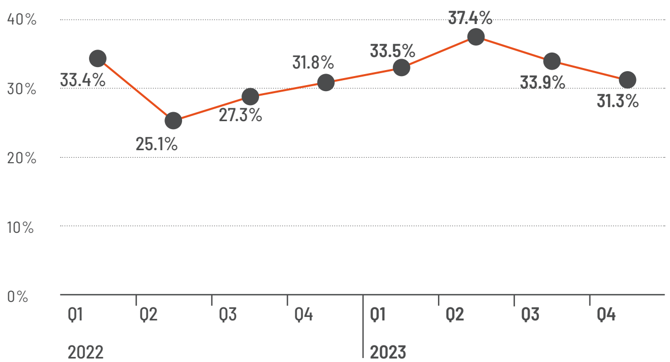
(in %)



* CZ, RO, HU, SK
Source: CBRE

FIG. 3.10 CTP MARKET SHARE OF TAKE-UP (LAST FOUR QUARTERS, CORE MARKETS*)

(in %)



* CZ, RO, HU, SK
Source: CBRE

FIG. 3.11 OCCUPANCY

(in %)

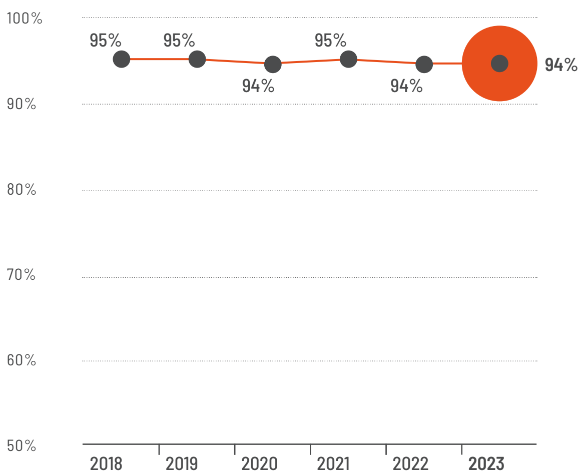


FIG. 3.12 CLIENT RETENTION

(in %)

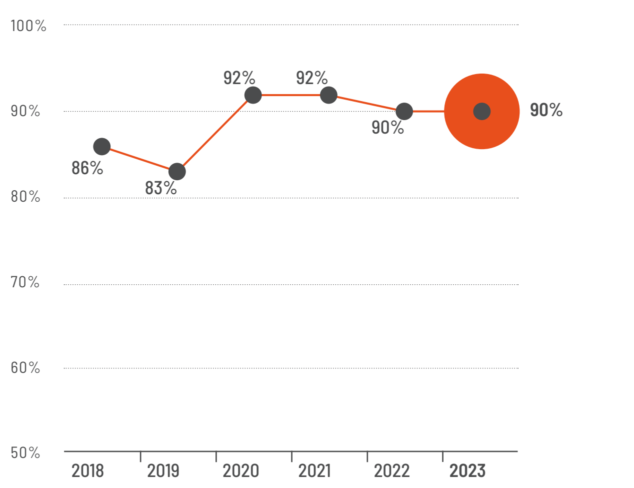


FIG. 3.13 NEXT 12 MONTHS' CONTRACTED REVENUE

(in € million)

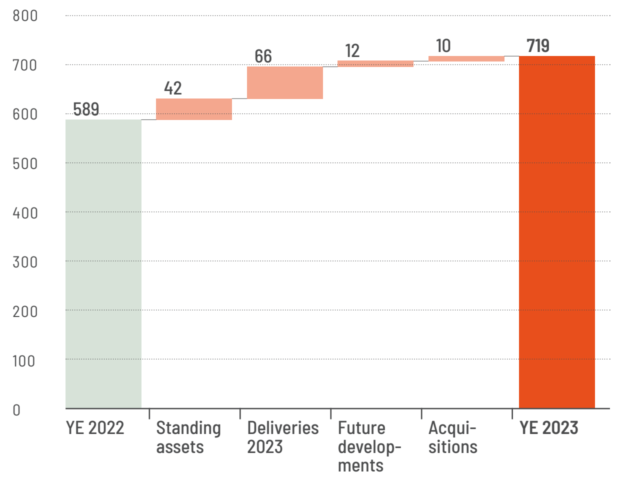


FIG. 3.14 COLLECTION RATE

(in %)

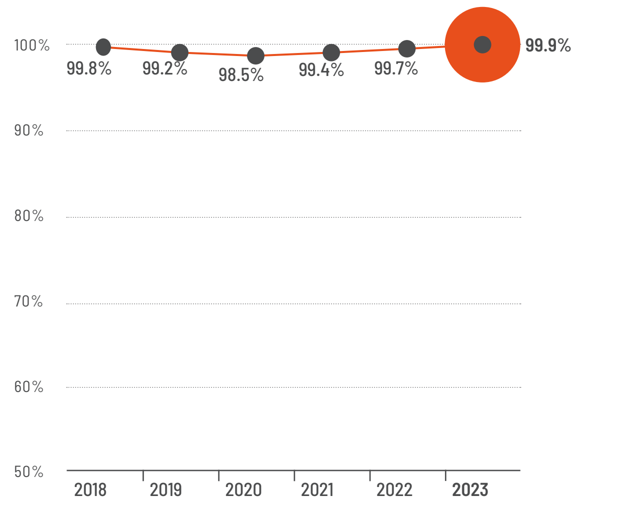


FIG. 3.15 LEASING ACTIVITY DEVELOPMENT

('000s sqm)

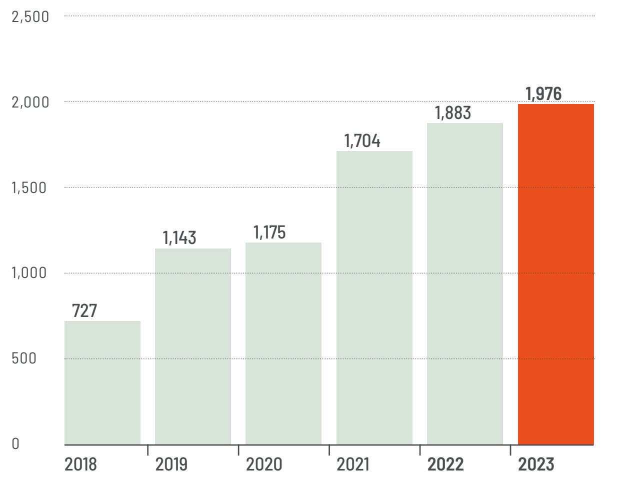


FIG. 3.16 LIKE-FOR-LIKE RENTAL GROWTH

(in %)

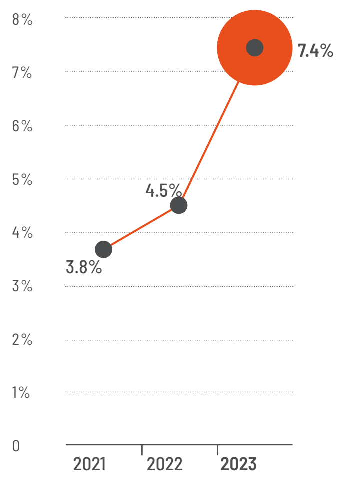


FIG. 3.17 WAULT TO EXPIRY

(years)

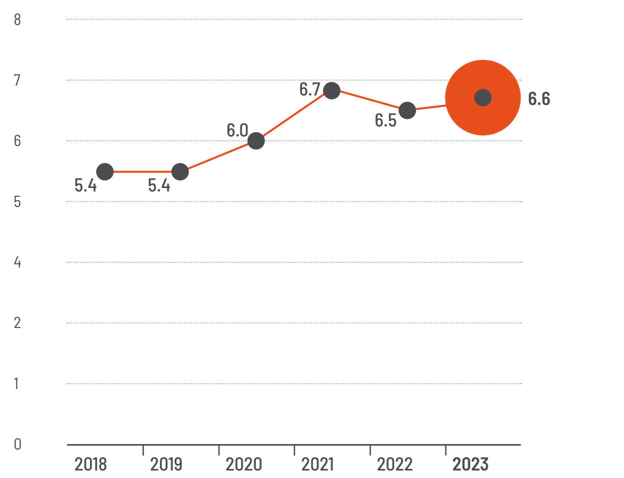


FIG. 3.18 REVERSIONARY POTENTIAL BY MARKET

(in %)

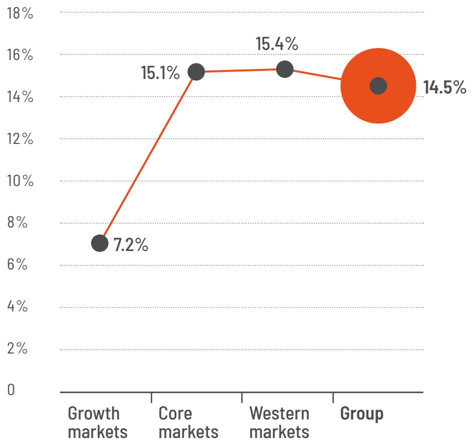
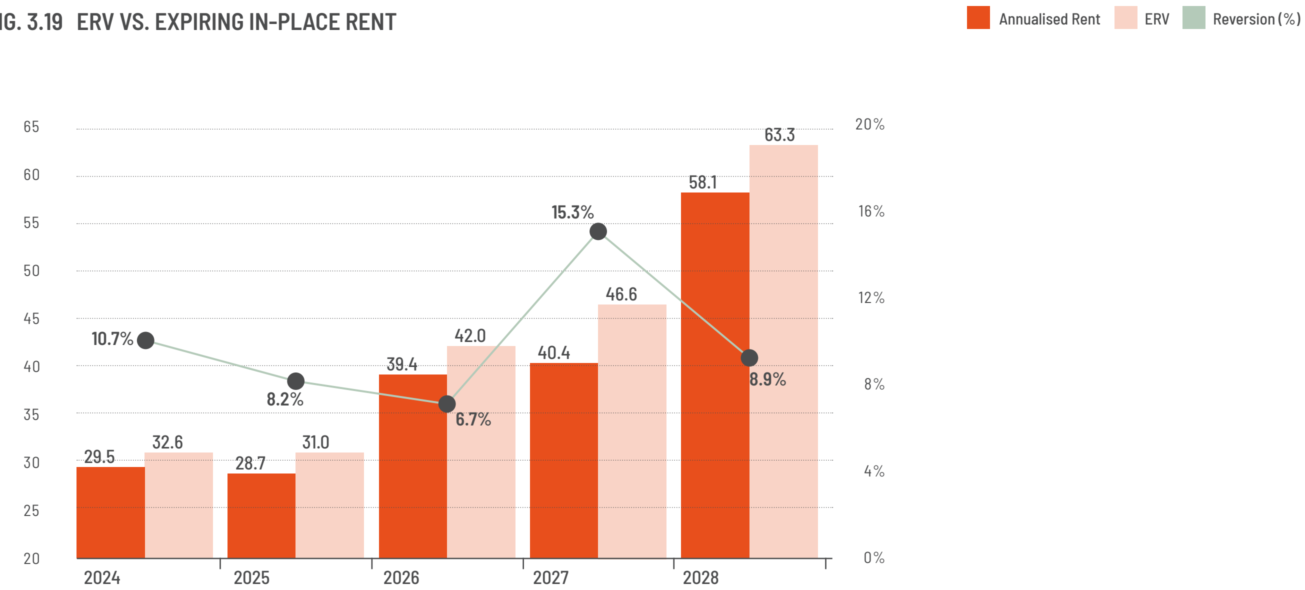


FIG. 3.19 ERV VS. EXPIRING IN-PLACE RENT



Development

After completing over 1 million sqm of GLA in 2022, CTP continued its disciplined investment in its highly profitable pipeline and set a new record of 1.2 million sqm delivered in 2023. The developments were approximately 86% let at delivery and will generate an annualised contracted rental income of €73 million, with another €16 million to come when these reach full occupancy.

Some of the main deliveries during 2023 were: 65,000 sqm in CTPark Bucharest West (leased to LPP), 51,000 sqm in CTPark Vienna East (fully leased to among others DHL, Frigologo, Quick Service Logistics, Toyota, Schachinger), 47,000 sqm in CTPark Warsaw South (leased to amongst others Tas Logistyka), 27,000 sqm in CTPark Prešov South (leased to Bosch) and 25,000 sqm in CTPark Brno Líšeň (leased to among others Bufab, Stannah Stairlifts, Swiss Automotive Group and Dr. Max).

While average construction costs in 2022 were around €550 per sqm, in 2023 they lowered to €500 per sqm, in part thanks to CTP's in-house construction and procurement teams.

Due to these decreasing construction costs and by capitalising on strong occupier demand, low vacancies and the growth of market rents, CTP was able to deliver its projects in 2023 with a higher Yield on Cost ("YoC") of 10.8% (2022: 10.1%). CTP targets a YoC of 11% for new construction across its core CEE markets, an industry-leading level, supported by the Company's unique park model and in-house expertise.

At the end of 2023, the Group had 2 million sqm of projects under construction with a potential rental income of €142 million and an expected YoC of 10.3%. The largest expansion markets are Poland and the Czech Republic, with 597,000 sqm and 370,000 sqm under construction, respectively.

CTP has a long track record of delivering sustainable growth through its client-led development in its existing parks. Seventy-two percent of the Group's projects under construction are in existing parks, while 13% are in new parks that have the potential to be developed to more than 100,000 sqm of GLA.

The Group is targeting the delivery 1 million–1.5 million sqm in 2024, subject to client demand. The 61,000 sqm of leases that are currently signed for future projects that have not yet started are an illustration of continued occupier demand.

Planned 2024 deliveries are 38% pre-let (planned 2023 deliveries were 32% pre-let at YE-2022, and 86% let at delivery) and CTP expects to reach 80%-90% pre-letting at delivery, in line with historical performance. As CTP acts in most markets as general contractor, it is fully in control of the process and timing of deliveries, allowing the Company to speed up or slow down depending on client demand, while also offering clients flexibility in terms of building requirements.

The Group replenishes its landbank on a continuous basis. CTP focuses on acquiring development sites that are adjacent to existing parks or in sought-after locations with proximity to strong logistics hubs and transport corridors and large, densely populated cities. In 2023, the Group invested €224 million (2022: €279 million) to expand its landbank (excl. options), focusing particularly on acquiring sites within its Growth and Western European Markets. In the higher interest rate environment, the Group prefers to secure land through options were possible.

CTP's landbank amounted to 23.4 million sqm at year-end (2022: 20.3 million sqm), which allows the Company to reach its target of 20 million sqm GLA before the end of the decade. Twenty-four percent of the landbank was secured by options (2022: 22%), while the remaining 76% was owned and accordingly reflected in the balance sheet (2022: 78%).

Sixty-two percent of the landbank is located within CTP's existing parks, while 29% is in or is adjacent to new parks that have the potential to grow to more than 100,000 sqm.

The total landbank, which is part of the Group's Investment Properties, was valued at €920 million (2022: €733 million). The revaluation in 2023 amounted to €104 million (2022: €3 million).

FIG. 3.20 DELIVERIES PER QUARTER, 2023

('000s sqm)

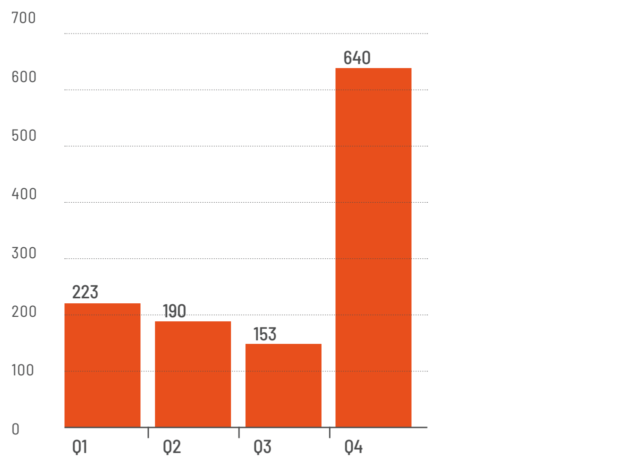


FIG. 3.21 ESTIMATED YOC, PROJECTS UNDER CONSTRUCTION

(in %)

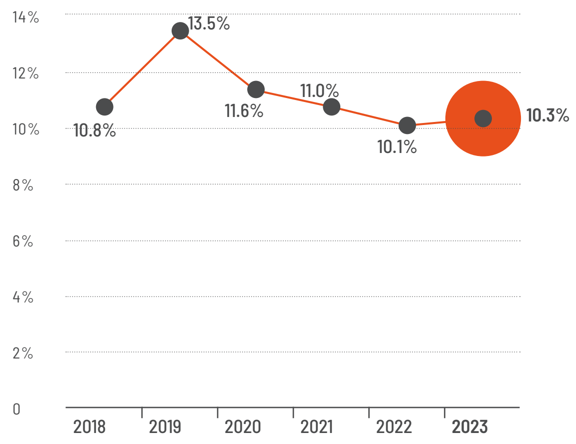


FIG. 3.22 UNDER CONSTRUCTION 2023

('000s sqm)

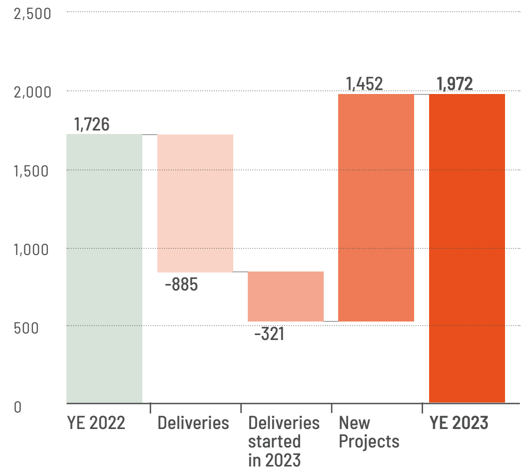


FIG. 3.23 NEW PROJECTS STARTED

('000s sqm)

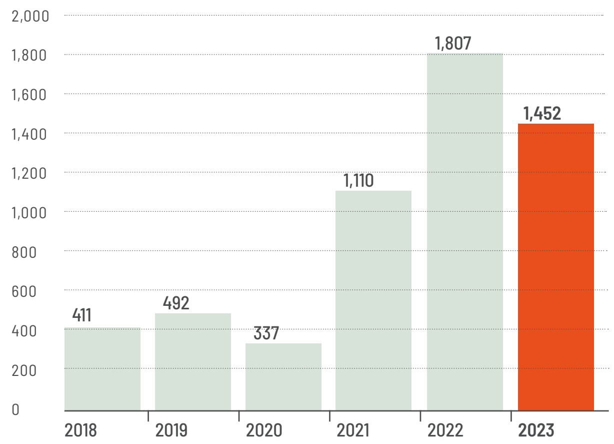


FIG. 3.24 GLA UNDER CONSTRUCTION BY COUNTRY

('000s sqm)

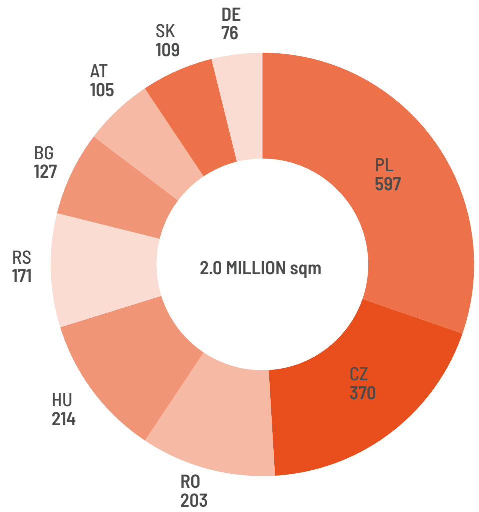


FIG. 3.25 PROJECTED ANNUALISED RENTAL INCOME OF GLA UNDER CONSTRUCTION PER COUNTRY

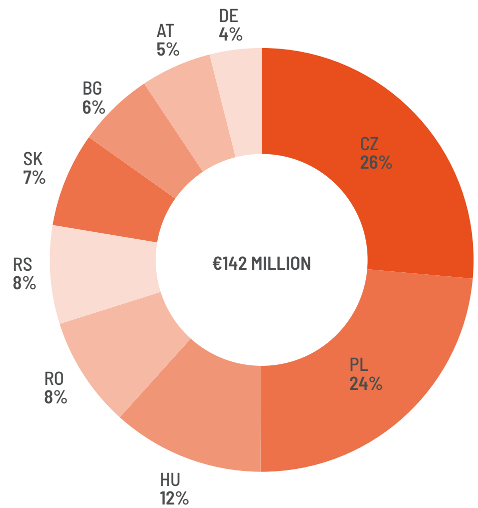


FIG. 3.26 LANDBANK DEVELOPMENT

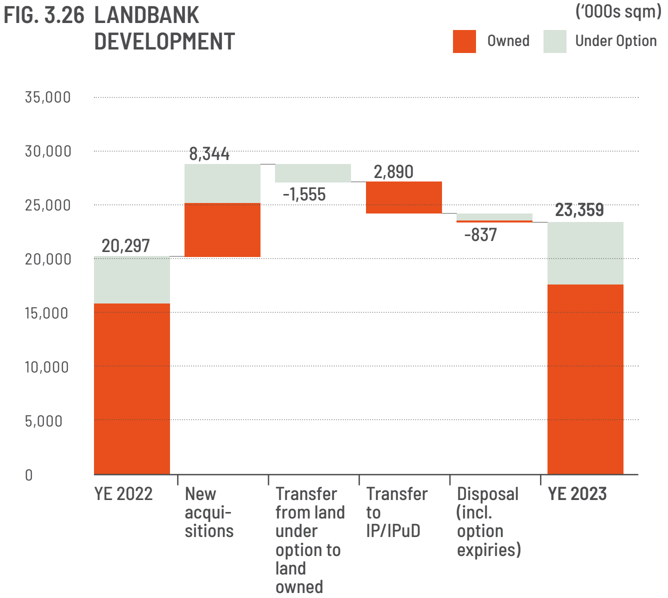
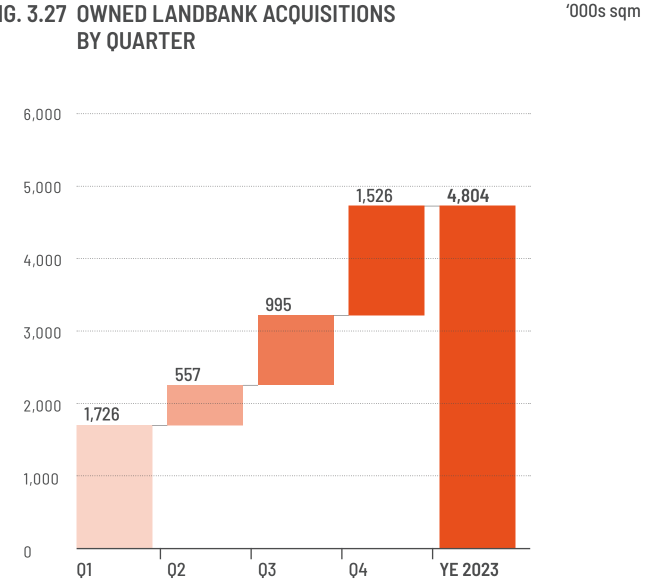


FIG. 3.27 OWNED LANDBANK ACQUISITIONS BY QUARTER



Energy

In line with its ESG ambitions, CTP further accelerated its roll-out of solar photovoltaic ("PV") systems in its parks, boosting the Company's energy business. By year-end CTP had installed 100 MWp, and its target is to reach 400 MWp by the end of 2026.

CTP's sustainability ambition goes hand in hand with more and more clients requesting PV systems, as they provide them with i) improved energy security, ii) a lower cost of occupancy, iii) compliance with increased regulations, iv) compliance with their clients' requirements, and v) the ability to fulfil their own ESG ambitions.

The Group's largest PV systems include CTPark Amsterdam City, CTPark Bor, CTPark Belgrade West and CTPark Bucharest North.

The income from the Group's energy business in 2023 amounted to €6.3 million, up 46% compared 2022, on the back of the increased capacity. With an average cost of ~€750,000 per MWp, the Group targets a YoC of 15% for these investments.

To get a better understanding of client energy compensation on a real-time basis and help clients to improve their energy efficiency and implement energy savings, in 2022 the Group started with the roll-out of smart metres.

FIG. 3.28 INCOME FROM THE SALE OF SOLAR ELECTRICITY

(€ '000s)

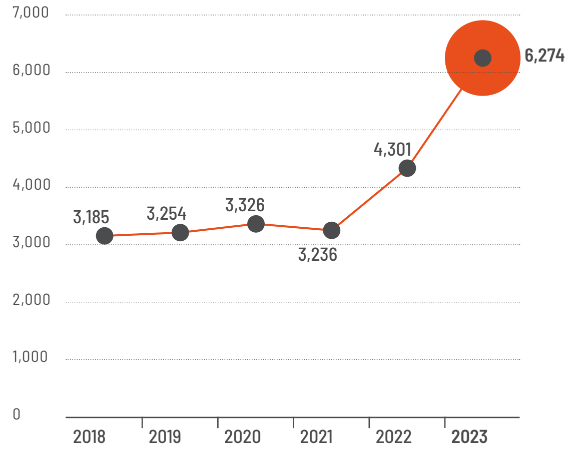
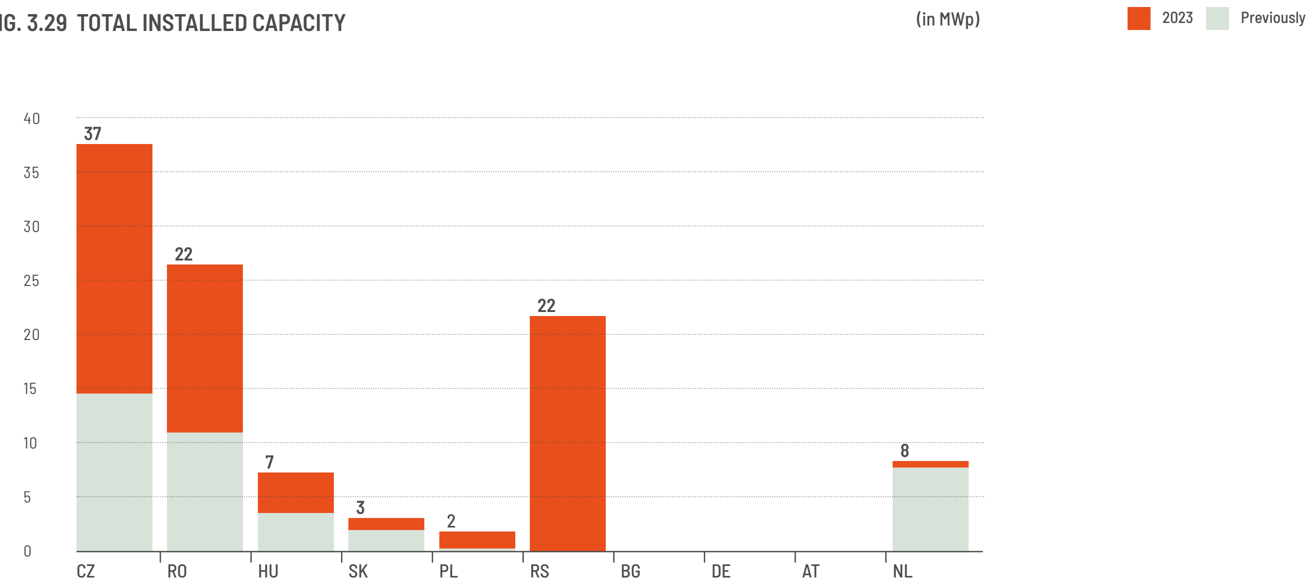


FIG. 3.29 TOTAL INSTALLED CAPACITY

(in MWp)



3.3 Financial Performance

In 2023, CTP continued to deliver on its promises with another year of strong financial performance, despite the continued macroeconomic and geopolitical volatility seen throughout 2023. CTP delivered a record 1.2 million sqm of GLA (excluding acquisitions), which brought the total GLA of its investment portfolio at the end of the year to 11.8 million sqm, while keeping its robust balance sheet and sound financial policy.

FINANCIAL HIGHLIGHTS

(€ million)	2018	2019	2020	2021	2022 restated	2023
Rental income	242.0	258.0	291.9	334.7	485.0	**571.9**
Net rental income	232.2	239.8	280.7	326.9	452.1	**543.2**
Operating profit (excl. valuation result)	243.0	211.1	239.7	276.3	350.1	**445.1**
Net valuation result on investment property	239.4	406.8	152.2	1,100.6	697.3	**878.7**
Profit/loss before finance costs	482.4	617.9	391.9	1,376.8	1,047.4	**1,323.8**
Profit for the period	361.5	392.2	252.5	1,025.9	764.2	**922.6**

Revenues
Rental income amounted to €571.9 million in 2023, up 17.9% year-on-year on an absolute basis. On a like-for-like basis, rental income grew 7.4%, mainly driven by indexation and reversion on renegotiations and expiring leases.

The Group has put measures in place to limit service charge leakage, especially in the Czech Republic and Germany, which resulted in the improvement of the net rental income ("NRI") to rental income ratio from 93.2% in 2022 to 95% in 2023. Consequently, NRI increased 20.1% year-on-year.

The Group's NRI came to €543.2 million at end-year. In CTP's Core Markets, NRI grew 16.1% year-on-year to €447.4 million; in Growth markets by 66.1% year-on-year to €31.4 million; while the cumulative NRI in its Western European Markets grew year-on-year by 43.3% to €64.4 million.

Net operating income from hotel operations increased to €5.4 million from €3.7 million in 2022. The Group's net income from development activities within its industrial and logistics portfolio decreased slightly from €9 million in 2022 to €5.4 million in 2023.

Total revenues for 2023 came to €673.8 million, up 14.4% year-on-year, while the total attributable external expense came to €119.8 million, down 3.5% year-on-year, resulting in gross profit of €554 million, up 19.2% year-on-year.

Net other income and expense

The Group's employee benefits increased from €43.7 million in 2022 to €50.4 million in 2023, driven primarily by the increase of FTEs from 667 to 732. Other expenses came to €58.5 million in 2023, down 16.1% compared to 2022. Other expenses in 2023, included non-recurring items like donations, transaction advisory, and write-offs of acquisition costs of cancelled transactions.

At year-end the Group had 100 MWp of installed PV capacity, much of which was rolled out towards the end of the year and therefore will only generate income in 2024. Income attributable to solar energy in 2023 was €6.3 million, which is booked in Other income.

Amortisation and depreciation increased to €12.7 million in 2023, mainly driven by the depreciation of the increased PV capacity.

EBITDA

EBITDA for 2023 came to €1,338.3 million, up 27.9% year-on-year. The increase reflects the 19.2% increase in gross profit and the 26% increase in the Net valuation result on investment property, while the Net other income / expense increased much less with 5.1%. EBITDA excluding net revaluation results stood at €459.6 million, up 31.7% year-on-year.

Foreign currency

CTP has minimal exposure to currency risk, as all of the portfolio's lease agreements are denominated in euros. Net currency conversion risks noted on the balance sheet are also limited, as the valuations of the Group's properties together with all interest-bearing debt are denominated in euros. In terms of transactional currency, a small amount of construction costs is denominated in local currencies. However, this brings limited exposure, as rents related to developments are set at levels that take such risks into account at the time of procurement.

Taxation

The Group's effective tax rate increased from 19.6% in 2022 to 23.9% in 2023. Of the overall tax expense, 81.3% is a deferred tax expense connected to the Net valuation result on investment property. The Group's current tax expense increased from €31.3 million in 2022 to €54.2 million in 2023.

Profit

Profit for the period increased by 20.4% to €922.6 million compared to €764.2 million in 2022. This increase is mainly driven by Net valuation results on investment property, due to completed developments, and Operating profit.

Company specific adjusted EPRA earnings increased from €265.5 million in 2022 to €323.5 million in 2023. The difference between EPRA earnings and IFRS profit is attributable to several non-recurring items. The Company specific adjusted EPRA earnings per share increased to €0.73 compared from €0.61 in 2022, which represents a 18.5% increase and is ahead of the guidance that the Group gave.

Dividend

CTP's dividend policy is to pay out 70%–80% of its Company specific adjusted EPRA earnings.

On 16 May 2023, CTP paid out its 2022 final dividend of €0.23 per ordinary share. Shareholders were given the choice to receive the 2022 final dividend in either cash or in shares. The number of dividend rights that equates to one new ordinary share was set at 51.54. A total of 26% of shareholders opted for payment of the interim dividend in stock.

On 4 September 2023, CTP paid out its 2023 interim dividend of €0.25 per ordinary share, which represents 70% of H1-2023 Company specific adjusted EPRA earnings. Shareholders were given the choice to receive the 2023 interim dividend in either cash or in shares. The number of dividend rights that equates to one new ordinary share was set at 50.53. A total of 21% of shareholders opted for payment of the interim dividend in stock.

CTP will propose a final 2023 dividend of €0.275 per ordinary share to the AGM on 23 April 2024. Subject to approval by the AGM, the total 2023 dividend will amount to €0.525 per ordinary share, representing a pay out of 73% and increase of 16.7% compared to 2022.

Investment portfolio

Investment property ("IP") valuation increased from €10.1 billion as at 31 December 2022 to €12 billion as at 31 December 2023, driven by, among other factors, the €1,074.2 million transfer of completed projects from Investment property under development ("IPuD") to IP, a €317.3 million net revaluation result, €161.7 million of standing assets acquisitions, and €224.3 million of landbank acquisitions.

The value of the Group's landbank, which is part of its IP, increased from €762.9 million at year-end 2022 to €919.8 million at year-end 2023.

IPuD increased by 13.9% to €1.4 billion as at 31 December 2023, mainly driven by progress on developments, while the projects under construction increased from 1.7 million sqm of GLA at year-end 2022 to 2 million sqm of GLA at year-end 2023.

GAV increased to €13.6 billion as at 31 December 2023, up 18.7% compared to 31 December 2022.

The Net valuation results on investment property in 2023 came to €878.7 million and was mainly driven by a revaluation of IPuD (€561.4 million), standing assets including the stabilisation of 2023 deliveries (€198.6 million), and landbank (€103.9 million).

On a like-for-like basis CTP saw a positive revaluation of 2% in 2023 (0.4% in H1-2023). The like-for-like ERV growth amounted to 10.1% (6.3% in H1-2023).

The reversionary yield increased 30 basis points in H1-2023, while the yield increased by 10bps in H2-2023, bringing it to 7.2%. In total, the Group saw a yield widening of 80 basis points between H1-2022 and FY-2023.

With the larger yield movements in Western European markets, the yield differential between CEE and Western European logistics is back to the long-term average. CTP expects the yield differential to decrease further, driven by the higher growth expectations for the CEE region.

CTP expects further positive ERV growth on the back of continued client demand, which is positively impacted by the secular growth drivers in the CEE region—especially since CEE rental levels remain affordable, as despite the strong growth seen, they have started from significantly lower absolute levels than in Western European countries. In real terms, rents in many CEE markets are still below 2010 levels.

EPRA NTA

EPRA NTA per share increased from €13.81 as at 31 December 2022 to €15.92 as at 31 December 2023, representing an increase of 15.2%. The increase is mainly driven by the revaluation (+€1.94) and Company specific adjusted EPRA EPS (+€0.73), but was partly offset by the dividend (-€0.50) and others (-€0.06).

2022 adjustment of Financial Statements

Following a recommendation by the Dutch Authority for the Financial Markets ("AFM"), the Group changed the Deutsche Industrie REIT ("DIR") accounting from an acquisition of assets to a business combination.

This interpretation of IFRS 3.3 and consequently the acquisition accounting method for a business combination that is outlined in IFRS 3.4 was corrected in CTP's comparative 2022 figures. Consequently, impact on Equity, deferred Tax and Goodwill was recognised in the 2022 results. Please see specific the impact in the notes to the Financial Statements.

The amendment has no impact on CTP's ongoing operational results, strategy, Company specific adjusted EPRA EPS, or EPRA NTA.

3.4 Funding and Hedging

The Group continued to take a prudent approach to financial policy and credit metrics to navigate the uncertain market conditions witnessed in 2023. The Group repaid its first bond in November 2023 and ended the year with solid liquidity and a conservative repayment profile, with the next material bond repayment in June 2025.

In 2023, the Group signed €1.6 billion in funding, of which €641 million was unsecured funding, and maintained significant headroom in all of its covenants.

Funding

In line with its proactive and prudent approach, the Group benefits from a solid liquidity position to fund its development pipeline, with a fixed cost of debt and conservative repayment profile.

During 2023, the Group demonstrated its continued good access to—and the depth of—the bank lending market, signing:

- in February, the Group signed a €95 million secured loan facility with an all-in fixed interest rate of 4.3%[1] and a maturity of 7 years;
- in March, the Group signed a €133 million secured loan facility with an all-in fixed interest rate of 4.6%[1] and a maturity of 7 years;
- in May, the Group signed a €280 million unsecured loan facility with an all-in fixed interest rate of 4.7% and a maturity of 5–7 years;[6]
- in August, the Group signed a €200 million unsecured loan facility with an all-in fixed interest rate of 4.5% and a maturity of 10 years;
- in August, the Group signed a €103 million secured loan facility with an all-in fixed interest rate of 4.7%[1] and a maturity of 7 years;
- in August, the Group signed a €33 million secured loan facility with an all-in fixed interest rate of 5.2% and a maturity of 6 years;
- in September, the Group signed a €80 million unsecured loan facility with an all-in fixed interest rate of 5.6% and a maturity of 5–7 years;
- in October, the Group signed a €113 million secured loan facility with an all-in fixed interest rate of 5.4% and a maturity of 6 years;
- in October, the Group signed a €96 million secured loan facility with an all-in fixed interest rate of 5.2% and a maturity of 7 years;
- in December, the Group signed a €81 million unsecured loan facility with and all-in fixed interest rate of 5.2% and a maturity of 5–7 years;
- in December, the Group signed a €143 million secured loan facility with an all-in fixed interest rate of 4.9% and a maturity of 7 years;
- in December, the Group signed a €200 million secured loan facility with an all-in fixed interest rate of 5.3% and a maturity of 5 years.

In total, the Group has raised €1,557 million in 2023, of which €641 million is unsecured and €916 million secured.

In addition, in February CTP's Revolving Credit Facility ("RCF") was extended for three years with two one-year extension options and increased from €400 million to €500 million.

The bank lending market—both secured and unsecured—remained more attractive than the bond market during 2023, with pricing reflecting CTP's long-term reliable and growing cash flows.

The Group's liquidity position pro-forma for the loan facilities signed in January and February 2024, the €750 million bond issuance and the concurrent bond tender offer of €250 million, stood at €1.9 billion, comprised of €1.4 billion of pro-forma cash and cash equivalents, and an undrawn RCF of €500 million.

Furthermore, a material amount of additional loan facilities have been agreed to fund 2024 developments as well as pre-fund 2025 maturities.

CTP repaid its first €400 million bond in November 2023, with the next material bond repayment in June 2025.

1 Includes effect of hedging.

The Group had 60% unsecured debt and 40% secured debt as at 31 December 2023, with ample headroom under its covenants to increase the amount of secured debt, which is offered at more attractive rates than the bond market in the current environment.

The average debt maturity came to 5.3 years (31 December 2022: 5.7 years). CTP's average cost of debt stood at 1.95% (31 December 2022: 1.56%), with 99.5% of the debt fixed or hedged till maturity.

Hedging

CTP targets to have close to 100% of its debt either fixed or hedged till maturity. However, the Group also constantly monitors the financial markets to identify optimum timing and relative value-hedging opportunities, as CTP pre-hedges certain upcoming and future funding requirements using forward starting swaps to lock in advantageous interest rates. In 2022, several pre-hedging swaps with a total nominal value of €750 million were put in place at an average lock-in rate of 2.33%. All pre-hedges were used during 2023.

Covenants

As of 31 December 2023, the Group is in compliance with all of its covenants, with significant headroom in all of them.

The interest coverage ratio ("ICR") stood at 3.8x, well above the minimum covenant threshold of 1.5x. The Secured Debt Test stood at 18.5% compared to 15% in 2022 and a maximum covenant level of 40%, while the Unencumbered Assets Test came to 189.1% compared to 185% in 2022 and a minimum covenant level of 125%.

CTP's Loan-to-Value ("LTV") increaesd from 45.4% as at 31 December 2022 to 46.0% as at 31 December 2023, above the Company's target range of between 40%-45%, due mainly to land acquisitions in Germany in December 2023. The Group deems this to be an appropriate level, given its higher gross portfolio yield, which stands at 6.7%. The higher yielding assets lead to a healthy level of cash-flow leverage that is also reflected in the normalised Net Debt to EBITDA of 9.2x (31 December 2022: 9.6x).

EMTN Programme

The EMTN Programme enables the Group to issue green bonds on the Dublin Euronext Exchange. As at 31 December 2023, the Group has the bonds outstanding as shown below in Table 3.4.1.

In November 2023, CTP published its third Green Bond Report. This report includes an overview of the use of proceeds—CTP reached full allocation in 2023—and features a second-party opinion by Sustainalytics, Inc.

In September 2020, the Company received a long-term issuer rating of BBB- (stable outlook) from S&P and a long-term issuer rating of Baa3 (stable outlook) from Moody's. Moody's confirmed CTP's rating and outlook on 3 August 2023, and S&P confirmed CTP's rating and outlook on 15 September 2023.

GREEN BONDS OUTSTANDING

Issuance Date	Series	Maturity Date	Coupon	Outstanding Balance
October 2020	€650 million	October 2025	2.125%	€331.8 million[1]
February 2021	€500 million	February 2027	0.750%	€500 million
June 2021	€500 million	June 2025	0.500%	€500 million[2]
June 2021	€500 million	June 2029	1.250%	€500 million
September 2021	€500 million	September 2026	0.625%	€500 million
September 2021	€500 million	September 2031	1.500%	€549.5 million
January 2022	€700 million	January 2026	0.875%	€650 million[3]

1 Outstanding amount after the settlement of the tender offer on 7 February 2024: €281.8 million
2 Outstanding amount after the settlement of the tender offer on 7 February 2024: €425 million
3 Outstanding amount after the settlement of the tender offer on 7 February 2024: €575 million

Overview of cash flow

Cash flows from operating activities remained strong and increased in 2023, mainly due to increasing rental income. The portfolio's attractive WAULT of 6.6 years provides comfort and income security. EBITDA (excluding net valuation result) grew from €349.0 million to €459.6 million.

The Group's cash flows used for investment activities decreased in 2023 to -€1,176.7 million. The decrease was mainly driven by lower CapEx spent on Development of investment property, thanks to the decrease of construction costs.

The cash flows from/used in financing activities amounted to €886.1 million in 2023, an increase driven by CTP's pro-active funding strategy. This enabled the Group to fund both its development activities during 2023 as well as to pre-fund the pipeline of developments for 2024 and part of the maturities in 2025. The Group paid out €164 million in dividends during 2023 and repaid €427.9 million of bonds and loan facilities.

Post-period events

In January and February 2024, the Group signed a total of €190 million in loans.

On 5 February 2024, the Group made a successful placement of a €750 million green bond with 6-year maturity and a 4.75% fixed coupon.

On 7 February 2024, the Group settled a tender offer which ran concurrently with the note placement in the amount of €250 million.

CASH FLOW OVERVIEW

(€ million)

	2023	2022	2021
Cash at beginning of the year	660.6	892.8	419.1
Cash flows from operational activities	318.4	300.3	139.1
Cash flows used for investing activities	-1,176.7	-1,364.8	-1,435.2
Cash flows from/used in financing activities	886.1	837.2	1,768.7
Cash at the end of the period	**690.6**	**660.6**	**892.8**

FIG. 3.30 GROSS RENTAL INCOME BY COUNTRY

(€ million)

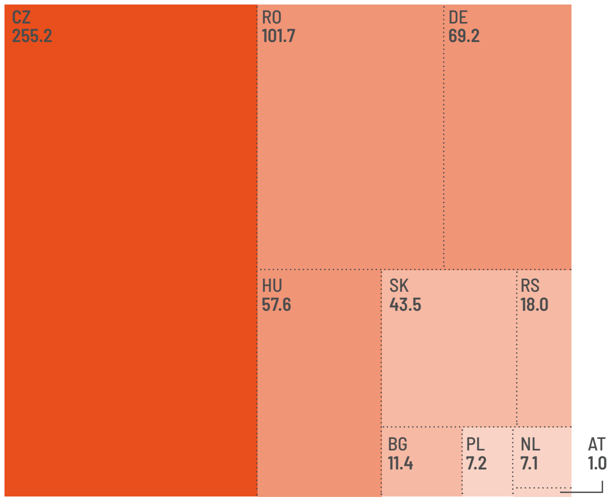


FIG. 3.31 NET RENTAL INCOME BY COUNTRY

(€ million)

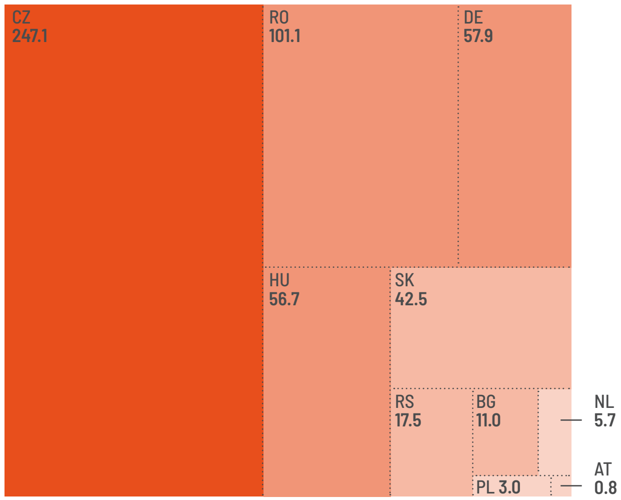


FIG. 3.32 LEASES LINKED TO CPI

(in %)

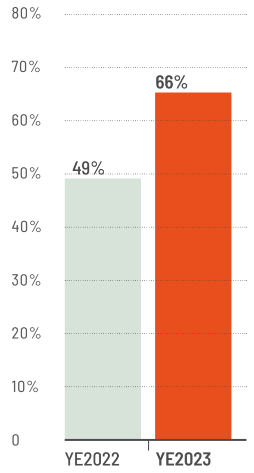


FIG. 3.33 INVESTMENT PROPERTY DEVELOPMENT, 2023

(€ '000s)

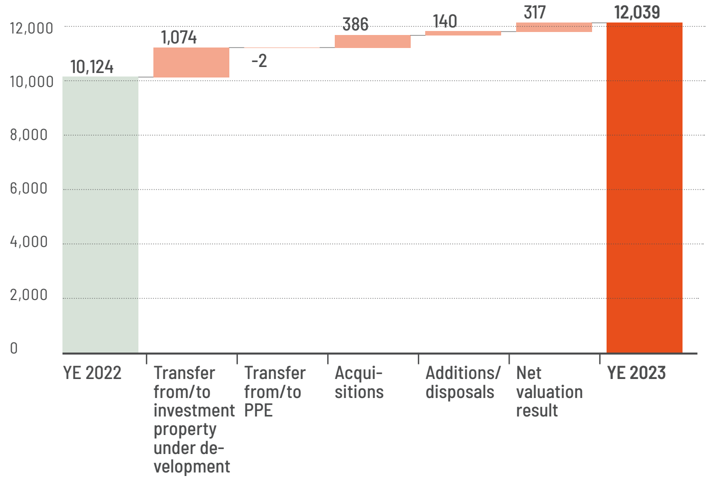


FIG. 3.34 VALUE OF STANDING ASSETS

(in %)

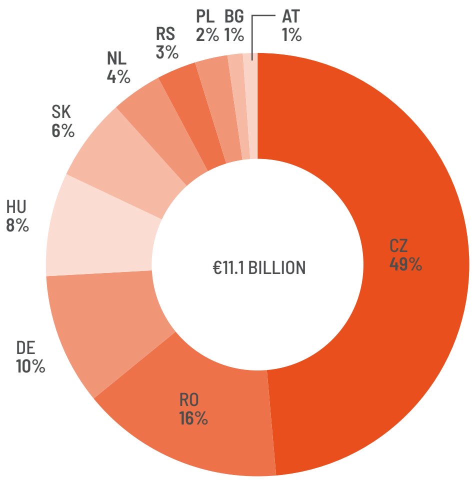


FIG. 3.35 VALUE OF INVESTMENT PROPERTY UNDER DEVELOPMENT

(in %)

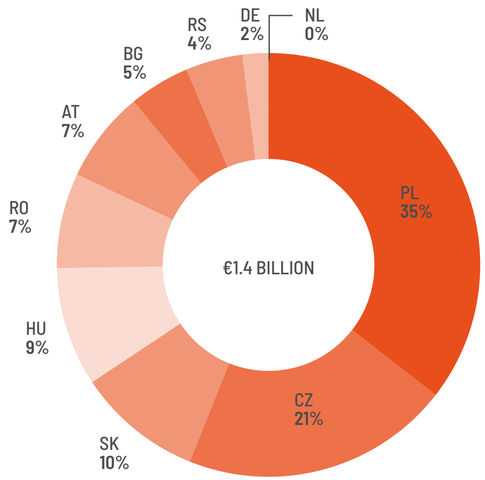


FIG. 3.36 VALUE OF LANDBANK

(in %)

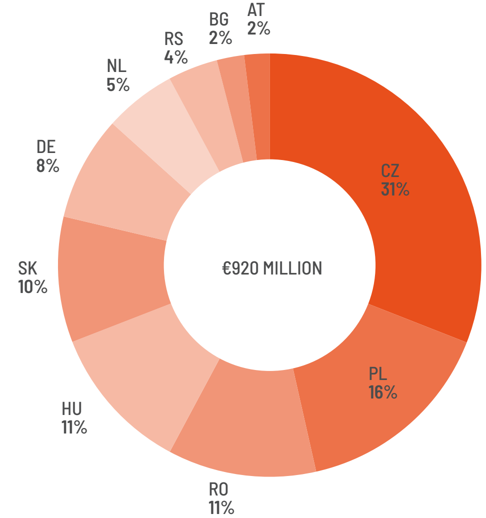


FIG. 3.37 LIKE-FOR-LIKE REVALUATION, 2023

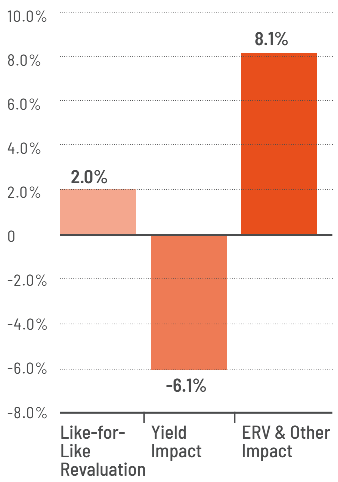


FIG. 3.38 NET VALUATION RESULT ON INVESTMENT PROPERTY (in %)

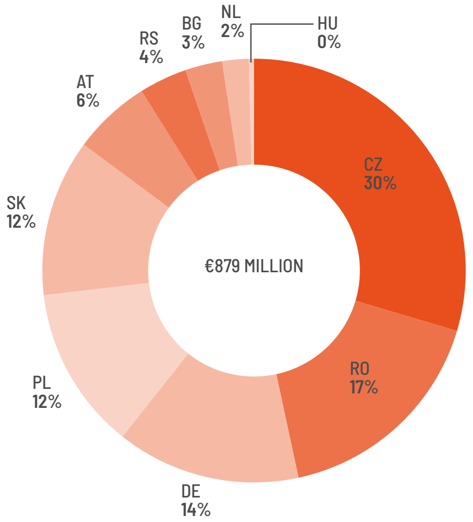


FIG. 3.39 EPRA NTA PER SHARE (€)

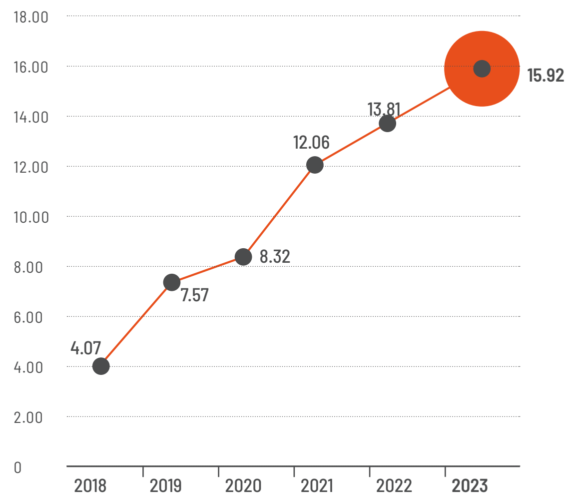


FIG. 3.40 COMPANY SPECIFIC ADJUSTED EPS (€)

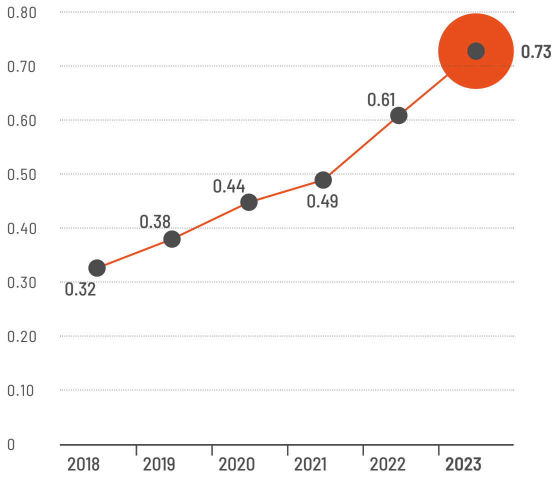


FIG. 3.41 COST OF DEBT (in %)

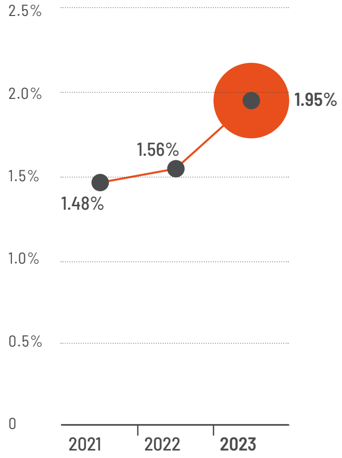


FIG. 3.42 LTV (in %)

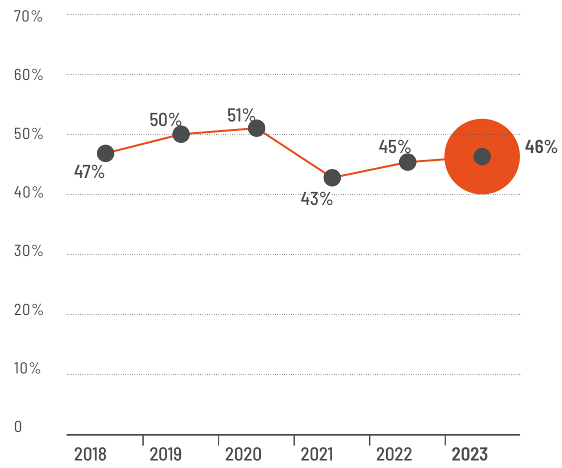


FIG. 3.43 AVAILABLE LIQUIDITY (€ billion)

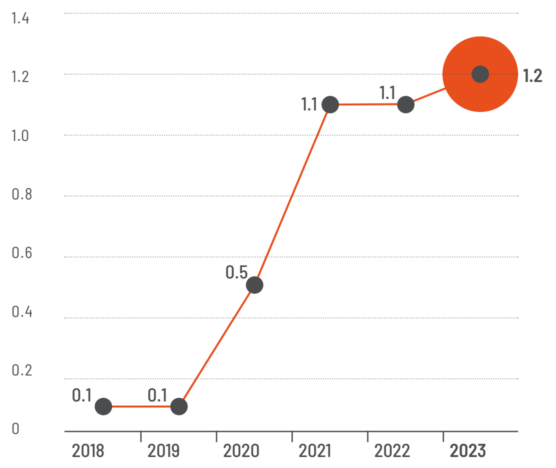


FIG. 3.44 UNSECURED DEBT (in % of total debt)

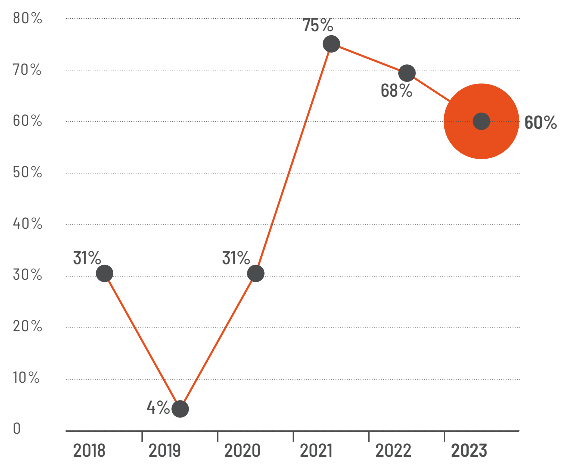


FIG. 3.45 INTEREST COVER RATIO (x)

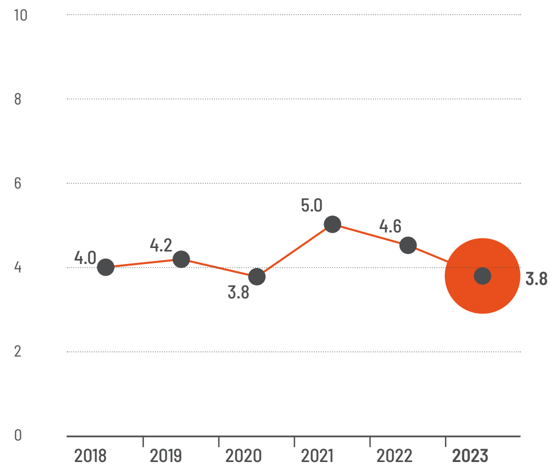


FIG. 3.46 DEBT MATURITY PROFILE (€ million)

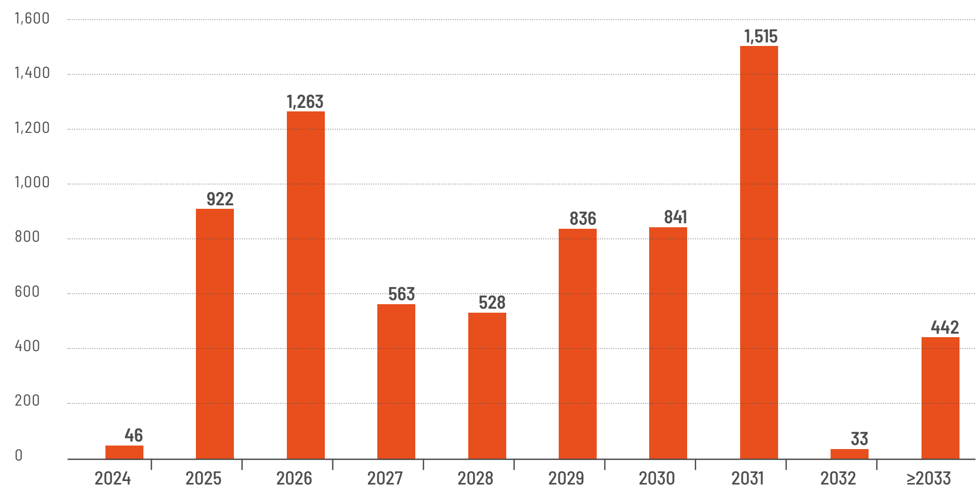


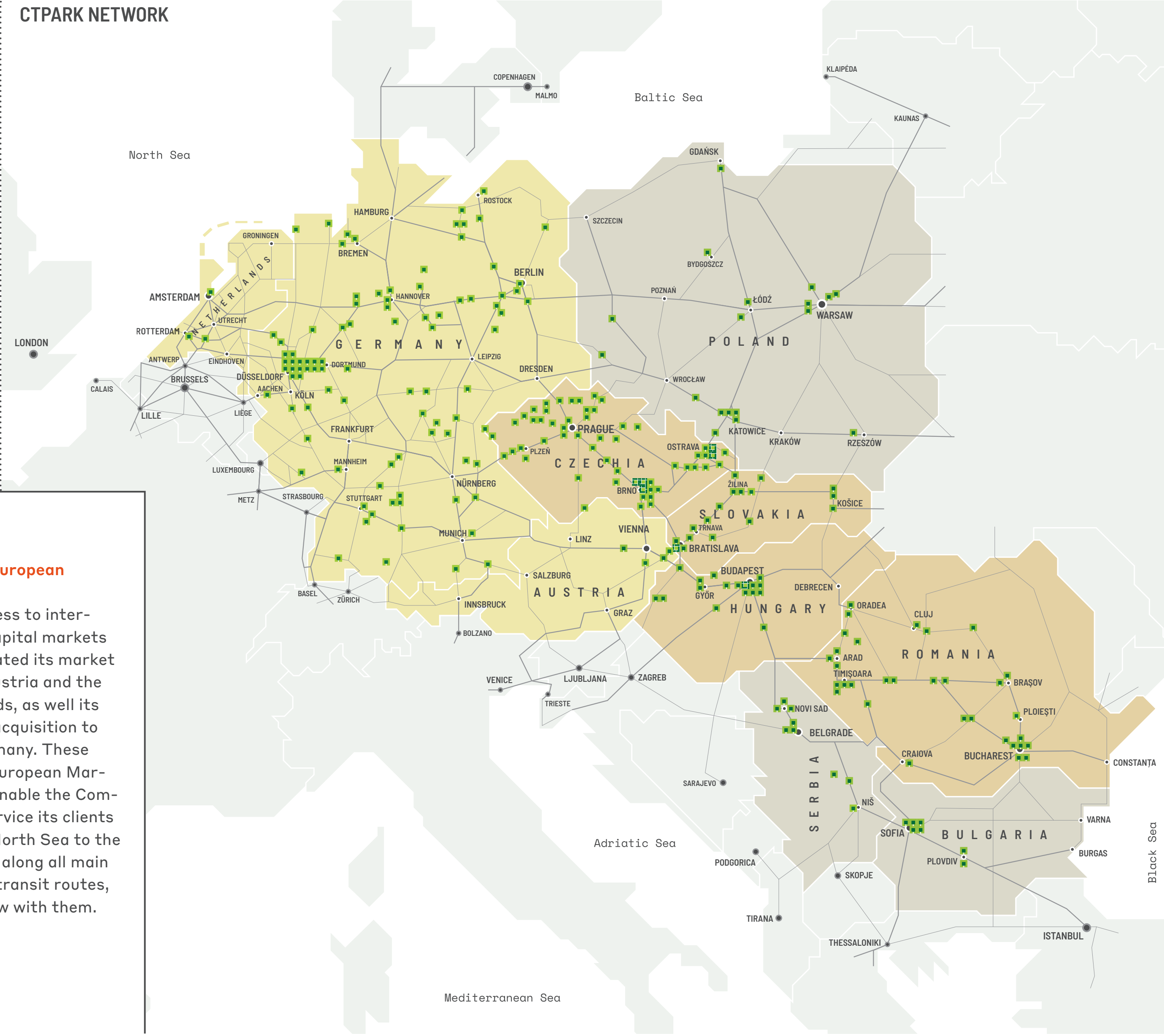
FIG. 3.47 COVENANTS

Year	Secured Debt Test	Interest Cover Ratio	Unecumbered Assets Test
2018	n.a.	4.0	n.a.
2019	n.a.	4.2	n.a.
2020	73%	3.8	139%
2021	12%	5.0	194%
2022	15%	4.6	185%
2023	**19%**	**3.8**	**189%**
Covenant level	max 40%	min 1.5	min 125%

3.5 Group-level Insights

CTP's unmatched industrial and logistics portfolio—the CTPark Network—is the cornerstone of a resilient European supply chain. The CTPark Network is the largest integrated system of premium business parks in continental Europe. With over 200 locations and a strategic landbank, the CTPark Network provides seamless property solutions for companies to grow, from the North Sea to the Black Sea.

CTPARK NETWORK



Core Markets
CTP is the leading logistics player as measured by owned industrial GLA in each of its most established Core Markets: the Czech Republic, Romania, Hungary, and Slovakia. In these four markets combined, CTP further increased its market share to 27.4% as at end-2023. As of 31 December 2023, the Group owned the four-largest industrial parks in the CEE region, including CTPark Bucharest West and CTPark Bucharest in Romania and CTPark Brno and CTPark Bor in the Czech Republic.

Growth Markets
In recent years CTP has diversified its portfolio and successfully executed its client-led expansion into the three new key markets of Serbia, Bulgaria and Poland. They are referred to as "Growth Markets", where CTP aims to become a prominent player in the medium term.

Western European Markets
CTP's access to international capital markets has facilitated its market entry in Austria and the Netherlands, as well as its strategic acquisition to enter Germany. These Western European Markets now enable the Company to service its clients from the North Sea to the Black Sea, along all main European transit routes, and to grow with them.

TOP 20 PARKS

The top 20 parks represent the core of the CTPark Network. They are thriving business communities, with a dynamic mix of clients from a broad range of industries.

The top 20 parks make up 46% of the GLA in CTP's portfolio.

The top 20 parks are home to roughly half of CTP's 1,000+ clients; and have a development opportunity of more than 2.1 million sqm GLA.

KEY DATA: TOP 20 PARKS

Category	Top 20	Total portfolio	Top 20 as % of total portfolio
GLA ('000s sqm)	5,404	11,790	46%
Under construction ('000s sqm)	179	1,970	9%
Landbank ('000s sqm)	4,203	23,359	18%
Clients (#)	521	>1,000	n/a
Buildings (#)	310	836	37%
WAULT (years)	6.7	6.6	n/a
Occupancy (%)	95%	94%	n/a

TOP 20 PARKS

Rank	Park	Country	GLA 2022	GLA 2023	Share of GLA	Total land	Under construction	Total properties	Occu-pancy	WAULT	Tenants	Year start
1	CTPark Bucharest West	Romania	767,000	833,000	7%	1,407,000	26,000	19	97%	5.8	27	2015
2	CTPark Bor	Czech	640,000	642,000	5%	236,000	-	21	100%	6.2	23	2006
3	CTPark Bucharest	Romania	547,000	571,000	5%	315,000	-	42	95%	4.0	107	2015
4	CTPark Brno	Czech	504,000	540,000	5%	357,000	-	31	99%	7.6	44	2005
5	CTPark Ostrava	Czech	390,000	390,000	3%	5,000	-	35	99%	9.5	75	2006
6	CTPark Budapest West	Hungary	292,000	303,000	3%	559,000	11,000	17	93%	5.4	36	2016
7	CTPark Budapest East	Hungary	191,000	212,000	2%	3,000	-	7	93%	4.9	16	2015
8	CTPark Bucharest North	Romania	198,000	210,000	2%	60,000	-	9	73%	6.9	25	2020
9	CTPark Modřice	Czech	205,000	205,000	2%	27,000	-	19	96%	4.8	24	2002
10	CTPark Trnava	Slovakia	162,000	177,000	1%	411,000	9,000	17	100%	8.0	18	2015
11	CTPark Brno Líšeň	Czech	121,000	175,000	1%	30,000	-	17	95%	11.9	23	2020
12	CTPark Hranice	Czech	134,000	152,000	1%	89,000	-	17	97%	6.3	16	2002
13	CTPark Timisoara	Romania	144,000	144,000	1%	393,000	-	10	92%	5.9	22	2015
14	CTPark Námestovo	Slovakia	144,000	144,000	1%	16,000	10,000	10	100%	3.6	18	2021
15	CTPark Pohořelice	Czech	119,000	131,000	1%	-	-	8	100%	7.4	10	2007
16	CTPark Bratislava	Slovakia	130,000	130,000	1%	56,000	10,000	17	99%	5.7	11	2015
17	CTPark Amsterdam City	Netherlands	-	120,000	1%	-	-	1	30%	6.9	3	2023
18	CTPark Žatec	Czech	92,000	120,000	1%	-	63,000	7	96%	8.9	7	2007
19	CTPark Belgrade City	Serbia	-	104,000	1%	-	31,000	2	100%	13.2	4	2023
20	CTPark Belgrade North	Serbia	101,000	101,000	1%	239,000	19,000	4	93%	4.3	12	2020

TOP 20 PARKS

1. BUCHAREST WEST, RO
GLA 833,000 sqm
(Year Established: 2015)

2. BOR, CZ
GLA 642,000 sqm
(2006)

3. BUCHAREST, RO
GLA 571,000 SQM
(2015)

4. BRNO, CZ
GLA 540,000 SQM
(2005)

5. OSTRAVA, CZ
GLA 390,000 sqm
(2006)

6. BUDAPEST WEST, HU
GLA 303,000 sqm
(2016)

7. BUDAPEST EAST, HU
GLA 212,000 sqm
(2015)

8. BUCHAREST NORTH, RO
GLA 210,000 sqm
(2020)

9. MODŘICE, CZ
GLA 205,000 sqm
(2002)

10. TRNAVA, SK
GLA 177,000 sqm
(2015)

11. BRNO LÍŠEŇ, CZ
GLA 175,000 sqm
(2020)

12. HRANICE, CZ
GLA 152,000 sqm
(2002)

13. TIMISOARA, RO
GLA 144,000 sqm
(2015)

14. NÁMESTOVO, SK
GLA 144,000 sqm
(2021)

15. POHOŘELICE, CZ
GLA 131,000 sqm
(2007)

16. BRATISLAVA, SK
GLA 130,000 sqm
(2015)

17. AMSTERDAM CITY, NL
GLA 120,000 sqm
(2023)

18. ŽATEC, CZ
GLA 120,000 sqm
(2007)

19. BELGRADE CITY, RS
GLA 104,000 sqm
(2023)

20. BELGRADE NORTH, RS
GLA 101,000 sqm
(2020)

TOP 10 DEALS IN 2023

Rank	Tenant	Reported period	Sqm signed	Park	Country	Industry	Existing client?
1	Raben	Q3'23	115,000	CTPark Warsaw West	PL	3PL	Y
2	Mercator	Q2'23	67,000	CTPark Belgrade City	RS	Wholesale Trade	N
3	TD Synnex	Q2'23	54,000	CTPark Bor	CZ	Wholesale Trade	Y
4	Inventec	Q2'23	53,000	CTPark Blučina	CZ	Manufacturing	Y
5	Meta System	Q3'23	30,000	CTPark Trnava	SK	Automotive	N
6	Jiangsu Xinquan Automotive Trim	Q4'23	28,000	CTPark Košice	SK	Automotive	Y
7	TitanX Engine Cooling	Q1'23	27,000	CTPark Opole	PL	Automotive	Y
8	Vitesco Technologies	Q2'23	26,000	CTPark Ostrava Hrušov	CZ	Automotive	Y
9	Baywa-r.e. Solar Systems	Q2'23	25,000	CTPark Gdańsk Port	PL	Other	N
10	Trumpf Huettinger	Q2'23	25,000	CTPark Warsaw East	PL	Manufacturing	N

CTPark Blučina for Inventec consolidation.

3.6 Clients

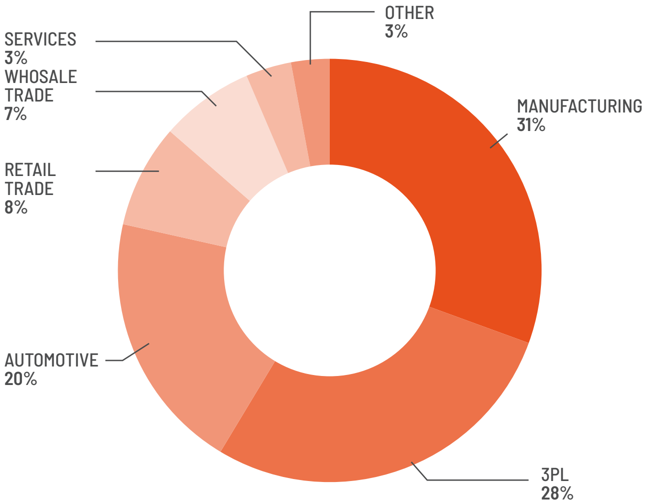
CTP has a wide and diversified international client base of blue-chip companies with good credit ratings from a broad range of industries. These include manufacturing (high-tech/IT, automotive) and e-commerce, retail, wholesale, and third-party logistics. CTP's client roster of over 1,000 companies represents a solid balance between diversification and concentration for the Group, with no single client accounting for more than 2.5% of its annual rent roll.

A diversity of clients and industries are critical to build a resilient, future-proof portfolio.

Warehousing & logistics is a key sector for CTP, and 3PLs, who may serve one or more clients at a specific location. They are in particular focused on strategic locations to optimise their operations. Many clients in this category are international players, which provide opportunities to cross-sell across markets and countries.

Retail is a growing segment for CTP, as retailers have started looking more to CEE markets, driven by an emerging middle class, higher growth of disposable income and faster pace of e-commerce growth in the region.

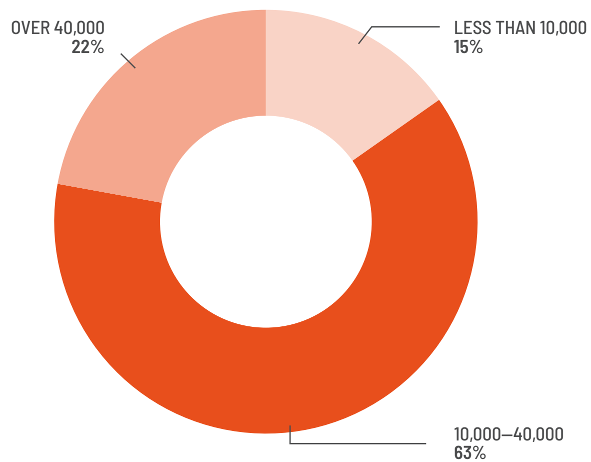
FIG. 3.48 CLIENT OCCUPIED GLA BY INDUSTRY (in %)



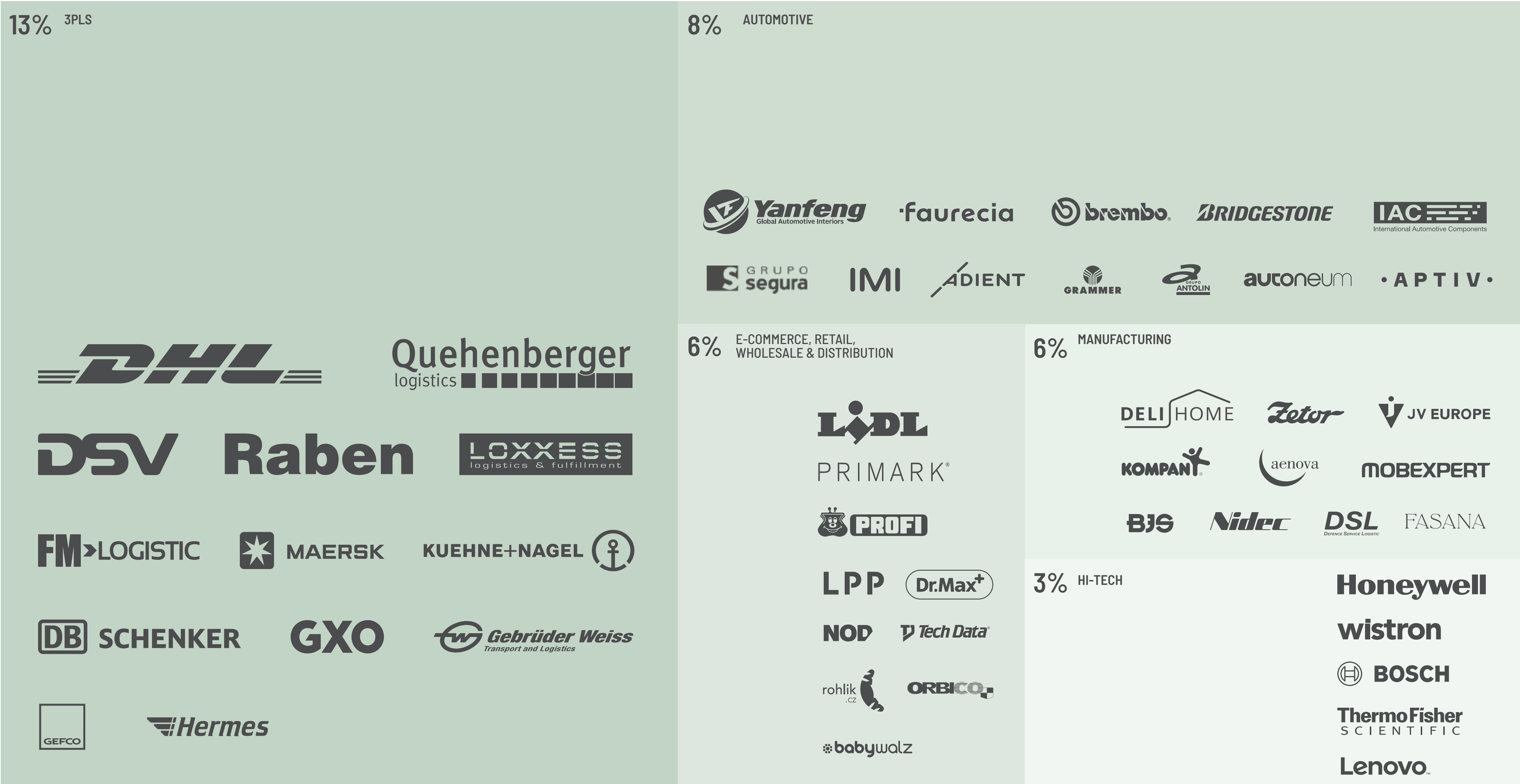
Manufacturing is strongly represented in CTP's portfolio, particularly high-tech activities, with clients generally signing longer leases as relocating is costly and capital intensive. CTP expects strong demand as a result of the ongoing nearshoring trend.

Automotive is also strongly represented in CTP's portfolio due to the large clusters of manufacturers moving to the lower-cost but educated workforce that CEE offers. The growing trend to develop new electric vehicle ("EV") innovations is expected to generate more demand in markets offering significant available workforce and technical education, government incentives, and proximity to suppliers.

FIG. 3.49 BUILDINGS BY TOTAL SIZE SHARE OF BUILDING'S GLA (% of GLA)



TOP 50 CLIENTS
(RENTAL INCOME, BY INDUSTRY, %)



TOP 50 CLIENTS

1/2

Rank	Clients	SQM	Of Total rented GLA	Buildings	Parks	Countries	Industry	Credit Ratings Moodys	S&P	Fitch
1	DHL	213,000	2.1%	22	15	5	3PL	A2	-	BBB+
2	Yanfeng	182,000	1.8%	8	3	3	Automotive	Baa3	BBB-	-
3	Quehenberger	173,000	1.7%	14	7	4	3PL	-	-	-
4	DSV	136,000	1.3%	9	5	3	3PL	A3	A-	-
5	Raben	118,000	1.2%	11	11	5	3PL	-	-	-
6	Loxxess	113,000	1.1%	3	1	1	3PL	-	-	-
7	FM Logistics	106,000	1.0%	3	3	1	3PL	-	-	-
8	Deli Home	104,000	1.0%	1	1	1	Manufacturing	-	-	-
9	Lidl	103,000	1.0%	8	6	5	E-commerce, Retail, Wholesale and Distribution	-	-	-
10	Maersk	101,000	1.0%	4	1	1	3PL	Baa2	BBB+	
11	Kühne Nagel	96,000	1.0%	7	4	3	3PL	-	-	-
12	Primark	92,000	0.9%	1	1	1	E-commerce, Retail, Wholesale and Distribution	-	A	-
13	Faurecia	91,000	0.9%	5	5	3	Automotive	Ba2	BB	BB+
14	DB Schenker	78,000	0.8%	12	8	4	3PL	-	-	-
15	ZETOR Tractors	76,000	0.8%	4	1	1	Manufacturing	-	-	-
16	Honeywell	74,000	0.7%	6	2	1	High Tech	A2	A	A
17	GXO	72,000	0.7%	3	1	1	3PL	Ba1	BBB-	BBB
18	Brembo	67,000	0.7%	3	1	1	Automotive	-	-	-
19	Profi Rom Food	66,000	0.7%	1	1	1	E-commerce, Retail, Wholesale and Distribution	-	-	-
20	Wistron InfoComm	65,000	0.6%	2	1	1	High Tech	-	-	-
21	Bosch	65,000	0.6%	5	4	4	High Tech	-	A	A
22	LPP	65,000	0.6%	1	1	1	E-commerce, Retail, Whoeslae and Distribution	-	-	-
23	Dr. Max	64,000	0.6%	5	5	2	E-commerce, Retail, Whoeslae and Distribution	-	-	-
24	JV Europe	63,000	0.6%	4	3	1	Manufacturing	-	-	-
25	Bridgestone	62,000	0.6%	1	1	1	Automotive	A2	A	

TOP 50 CLIENTS

2/2

Rank	Clients	SQM	Of Total rented GLA	Buildings	Parks	Countries	Industry	Credit Ratings Moodys	S&P	Fitch
26	Thermo Fisher Scientific	60,000	0.6%	1	1	1	High Tech	A3	A-	A-
27	Kompan Czech Republic	59,000	0.6%	5	1	1	Manufacturing	-	-	-
28	Network One Distribution	57,000	0.6%	2	1	1	E-commerce, Retail, Wholesale and Distribution	-	-	-
29	International Automotive Components	57,000	0.6%	3	2	2	Automotive	-	-	-
30	Grupo Segura	55,000	0.5%	1	1	1	Automotive	-	-	-
31	Tech Data	54,000	0.5%	1	1	1	E-commerce, Retail, Wholesale and Distribution	-	-	-
32	Aenova	53,000	0.5%	1	1	1	Manufacturing	-	-	-
33	Lenovo	50,000	0.5%	2	1	1	High Tech	Baa2	BBB	BBB
34	IMI	50,000	0.5%	7	3	1	Automotive	-	-	-
35	Adient	49,000	0.5%	2	2	1	Automotive		BB	
36	Gebrüder Weiss	48,000	0.5%	8	5	4	3PL	-	-	-
37	Rohlík	48,000	0.5%	5	4	3	E-commerce, Retail, Whoeslae and Distribution	-	-	-
38	Linea Mexx (Mobexpert)	47,000	0.5%	2	2	1	Manufacturing	-	-	-
39	BJS	47,000	0.5%	4	1	1	Manufacturing	-	-	-
40	Orbico	47,000	0.5%	2	2	2	E-commerce, Retail, Wholesale and Distribution	-	-	-
41	Grammer	47,000	0.5%	2	1	1	Automotive	-	-	-
42	Versandhaus	46,000	0.5%	1	1	1	E-commerce, Retail, Wholesale and Distribution	-	-	-
43	Nidec	45,000	0.4%	2	1	1	Manufacturing	A3	-	-
44	DSL	44,000	0.4%	1	1	1	Manufacturing	-	-	-
45	Fasana	43,000	0.4%	1	1	1	Manufacturing	-	-	-
46	Gefco	43,000	0.4%	8	5	3	3PL	-	-	-
47	Grupo Antolin	43,000	0.4%	3	3	3	Automotive	B3	B-	-
48	Autoneum	42,000	0.4%	3	2	2	Automotive	-	-	-
49	Hermes Group	41,000	0.4%	1	1	1	3PL	-	-	-
50	Aptiv	41,000	0.4%	2	2	2	Automotive	Baa2	BBB	BBB

3.7 Country Review

COUNTRY DATA

CORE MARKETS

CZ

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	10.8
Credit rating [2]	Aa3
Avg. hourly wage (net labour costs) in manufacturing [3]	
€16.7	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
2.2%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	11.7
Annual growth rate of stock (y/y) [6]	8.6%
CTP market share [7]	27.3%
Net take-up (in mil. sqm) [8]	0.9
CTP share net take-up [9]	38.7%
Market vacancy rate [10]	1.8%
Prime rent (€/sqm/yr) [11]	90.6
Prime yield [12]	5.0%
CTP INDICATORS	
Locations with standing portolio [13]	55
GLA (in thousand sqm)	4,182
Projects under construction (in thousand sqm)	370
Landbank (in thousand sqm)	7,600
GAV (in mil. EUR)	6,119
LFL rental growth	5.0%
Client retention rate	88%
Next 12 months' revenue (in mil. EUR)	301
WAULT	7.4

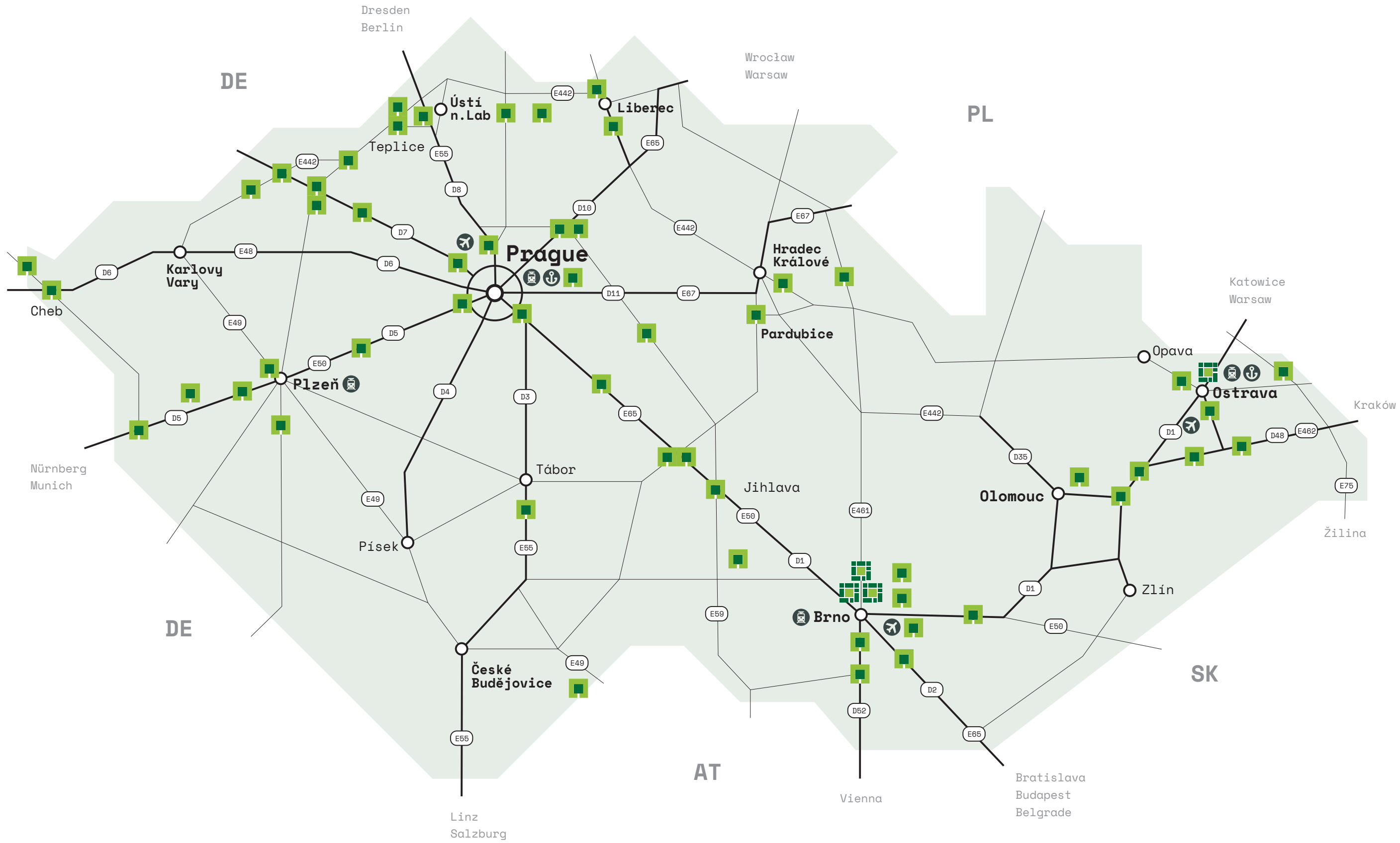
NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/ Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries

EU-27 (average figures as comparison)



CASE STUDY

CORE MARKETS

CZ

Vitesco Technologies to launch new plant for EV automotive components

Vitesco Technologies—a leading producer of drivetrains and powertrains for the automotive industry—is expanding its presence within the CTPark Network with the launch in 2024 of its new €190 million electric vehicle ("EV") parts factory at CTPark Ostrava Hrušov. At completion, the new, 40,000 sqm facility will feature advanced automated assembly lines and fully automated logistics. In line with the company's ESG goals, the new building will also be equipped with rooftop solar panels and EV charging stations. Vitesco Technologies expects the new manufacturing site, which also includes 1,500 sqm of office space, to employ over 1,000 people by 2027.


CTPARK PRAGUE NORTH

COUNTRY DATA

CORE MARKETS

RO

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	19.1
Credit rating [2]	Baa3
Avg. hourly wage (net labour costs) in manufacturing [3]	
€8.3	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
3.7%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	7.2
Annual growth rate of stock (y/y, %) [6]	9.3%
CTP market share [7]	37.0%
Net take-up (in mil. sqm) [8]	0.8
CTP share net take-up [9]	36.0%
Market vacancy rate [10]	5.0%
Prime rent (€/sqm/yr) [11]	54.0
Prime yield [12]	7.8%

CTP INDICATORS	
Locations with standing portolio [13]	29
GLA (in thousand sqm)	2,620
Projects under construction (in thousand sqm)	203
Landbank (in thousand sqm)	3,465
GAV (in million EUR)	1,949
LFL rental growth	10.7%
Client retention rate	91%
Next 12 months' revenue (in mil. EUR)	126
WAULT	5.3

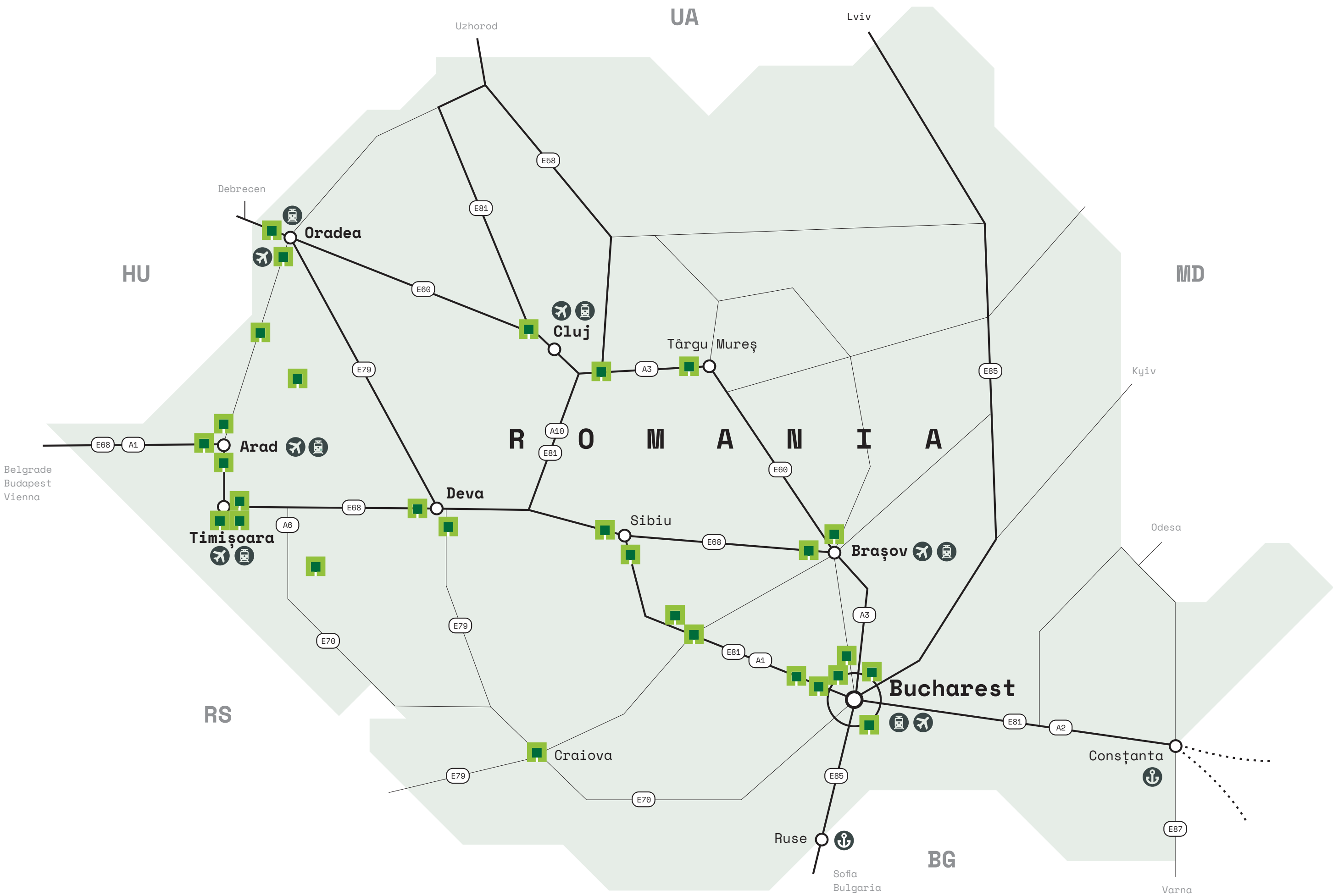
NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries

EU-27 (average figures as comparison)



CASE STUDY

KSHG Auto Harness doubles its footprint at CTPark Deva II

CORE MARKETS

RO

Chinese automotive components maker KSHG Auto Harness has expanded its presence at CTPark Deva II with the lease of an additional 13,000 sqm of space, bringing the company's total footprint at the park to 21,000 sqm. KSHG Auto Harness introduced the first high-tech production line of its kind to Romania when it moved in to CTPark Deva II in 2022, creating 400 new jobs. The company's expansion is driven largely by the demand from multinationals looking to nearshore the production of goods destined for European markets. CTPark Deva II offers strategic location near Bucharest and motorway connections to Serbia and Romania.

CTPARK BUCHAREST WEST

COUNTRY DATA

CORE MARKETS

HU

MACROECONOMICS INDICATORS

Population (in mil.) [1]	9.6
Credit Rating [2]	Baa2
Avg. hourly wage (net labour costs) in manufacturing [3]	
€11.1	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
2.8%	1.8%

MARKET INDICATORS

Total stock (in mil. sqm) [5]	5.1
Annual growth rate of stock (y/y, %) [6]	11.1%
CTP market share [7]	19.9%
Net take-up (in mil. sqm) [8]	0.5
CTP share net take-up [9]	15.4%
Market vacancy rate [10]	7.7%
Prime rent (€/sqm/yr) [11]	67.2
Prime yield [12]	7.0%

CTP INDICATORS

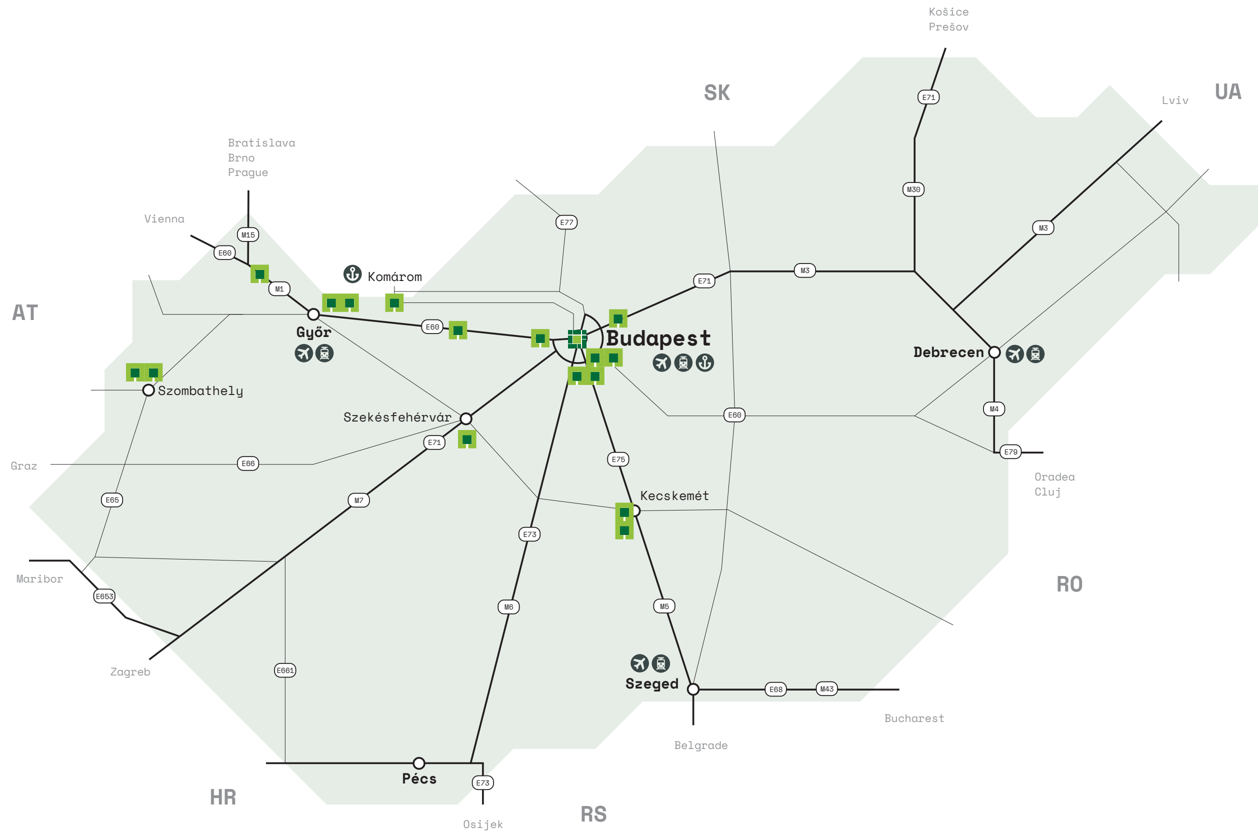
Locations with standing portolio [13]	15
GLA (in thousand sqm)	1,018
Projects under construction (in thousand sqm)	214
Landbank (in thousand sqm)	3,537
GAV (in million EUR)	1,115
LFL rental growth	10.7%
Client retention rate	86%
Next 12 months' revenue (in mil. EUR)	71
WAULT	5.7

NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3-4

- CTP countries
- EU-27 (average figures as comparison)



CASE STUDY

FL Technics launches new custom-built aerospace service centre at CTPark Budapest Escer

In 2023, FL Technics—a Lithuanian-based leader in aerospace services specialising in the maintenance, repair and overhaul of aircraft—launched its new custom-built, 5,500 sqm facility for its Wheels & Brakes division at CTPark Budapest Escer, expanding significantly its operations in Central and Eastern Europe. The company was attracted to CTPark Budapest Escer for several reasons, including its close proximity to the Hungarian capital, Budapest, and the ability to find local partners to support innovative collaborations.

CORE MARKETS

HU

CTPARK BUDAPEST SZIGET

COUNTRY DATA

CORE MARKETS

SK

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	5.4
Credit Rating [2]	A2
Avg. hourly wage (net labour costs) in manufacturing [3]	
€15.4	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
2.3%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	3.9
Annual growth rate of stock (y/y, %) [6]	8.4%
CTP market share [7]	19.6%
Net take-up (in mil. sqm) [8]	0.5
CTP share net take-up (internal figure) [9]	27.2%
Market vacancy rate [10]	2.6%
Prime rent (€/sqm/yr) [11]	69.0
Prime yield [12]	6.3%

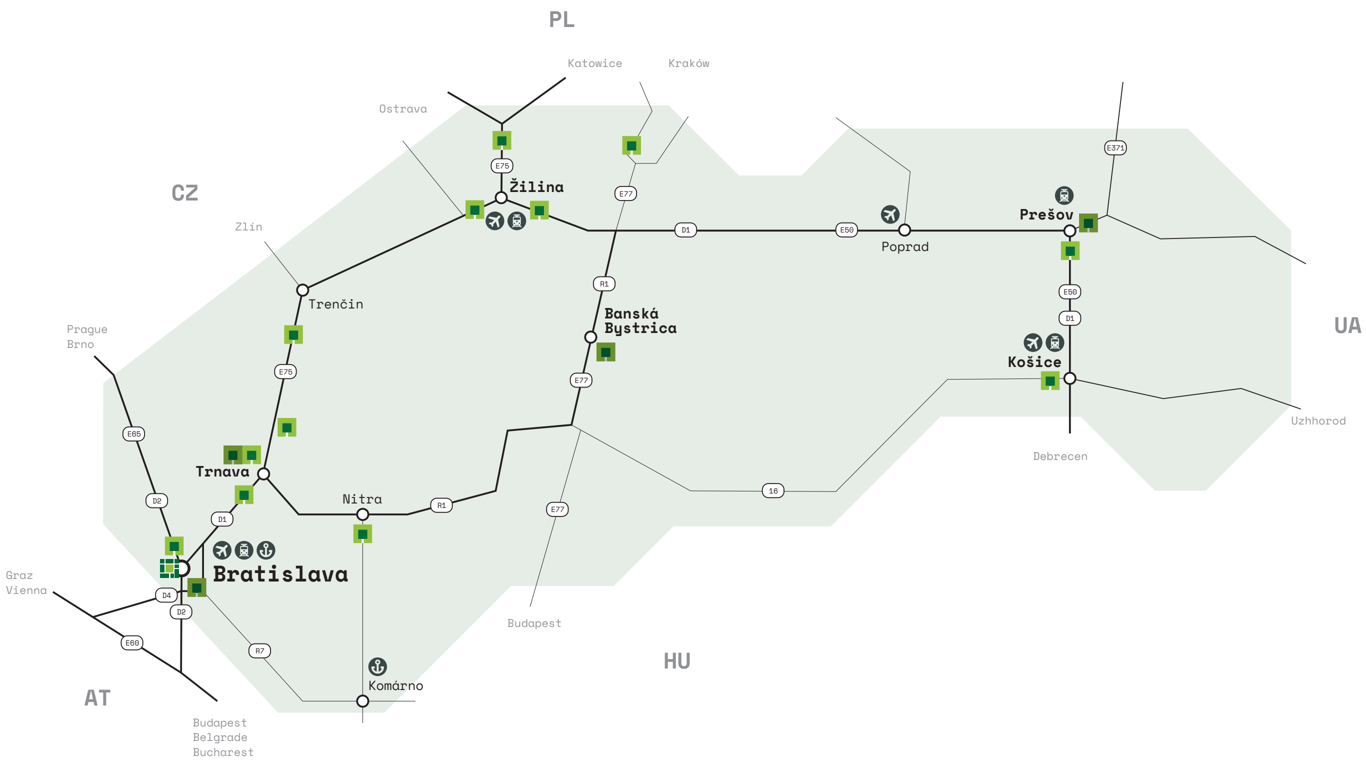
CTP INDICATORS	
Locations with standing portolio [13]	12
GLA (in thousand sqm)	881
Projects under construction (in thousand sqm)	109
Landbank (in thousand sqm)	1,525
GAV (in million EUR)	923
LFL rental growth	9.8%
Client retention rate	93%
Next 12 months' revenue (in mil. EUR)	63
WAULT	6.3

NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

- CTP countries
- EU-27 (average figures as comparison)



CORE MARKETS

SK

CASE STUDY

High-Technology Mouldings launches new custom-built plant at CTPark Košice

In 2023, UK-based Hi-Technology Mouldings relocated its production operations in Slovakia from a brownfield site to a new, 4,000 sqm custom-built facility at CTPark Košice, awarded a BREEAM “Very Good” certificate for energy efficiency. Specialising in injection-moulded plastic components, the company serves diverse sectors from CTPark Košice, including maritime safety, medical devices, electrical engineering, transport, occupational health, safety, and defence. The building accommodates the integration of overhead cranes, process water distribution, and compressed air systems alongside efficient warehouse management and social spaces for employees. CTPark Košice's strategic location, adjacent to an international airport and the D1 motorway, offers ideal connectivity for logistics, distribution, and light industry.

CTPARK TRNAVA

COUNTRY DATA

GROWTH MARKETS

RS

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	6.7
Credit Rating [2]	Ba2
Avg. hourly wage (net labour costs) in manufacturing [3]	
€7.9	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
3.6%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	1.7
Annual growth rate of stock (y/y, %) [6]	6.3%
CTP market share [7]	25.0%
Net take-up (in mil. sqm) [8]	0.2
CTP share net take-up (internal figure) [9]	80.0%
Market vacancy rate [10]	4.0%
Prime rent (€/sqm/yr) [11]	57.0
Prime yield [12]	8.5%

CTP INDICATORS	
Locations with standing portolio [13]	6
GLA (in thousand sqm)	426
Projects under construction (in thousand sqm)	171
Landbank (in thousand sqm)	1,340
GAV (in million EUR)	458
LFL rental growth	9.4%
Client retention rate	100%
Next 12 months' revenue (in mil. EUR)	31
WAULT	11.4

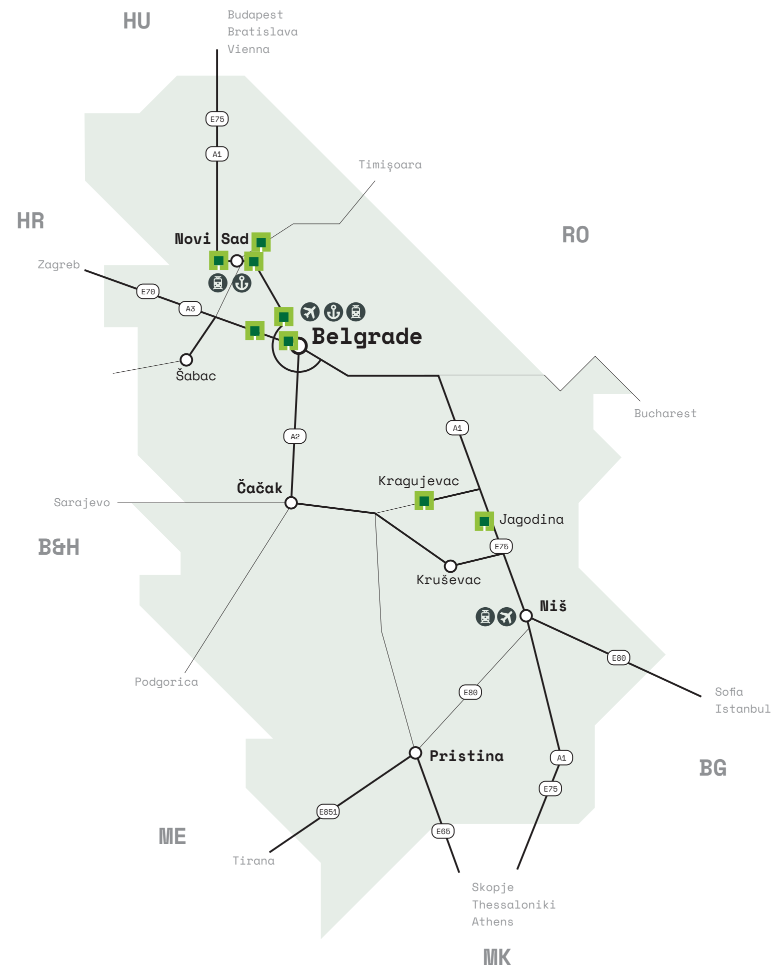
NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/ Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries

EU-27 (average figures as comparison)



CASE STUDY

GROWTH MARKETS

RS

Lianbo Precision Technology rides the "nearshoring wave" from Shaghai to Serbia

Chinese automotive components maker Lianbo Precision Technology's decision to launch a production plant in Serbia is a prime example of nearshoring in action. In 2023, the company, which specialises in the production of rotors and stators for vehicle engines, decided to open its first European production facility to supply Volkswagen assembly sites in Europe from CTPark Novi Sad East instead of China. CTP visited Lianbo's main production plant in Shanghai to tailor the company's new 14,000 sqm facility to meet its operational requirements. Seven months later, Lianbo began operations in Serbia, creating 500 new jobs.

CTPARK JAGODINA

COUNTRY DATA

GROWTH MARKETS

PL

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	36.8
Credit Rating [2]	A2
Avg. hourly wage (net labour costs) in manufacturing [3]	
€11.4	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
2.7%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	31.0
Annual growth rate of stock (y/y, %) [6]	10.7%
CTP market share [7]	2.2%
Net take-up (in mil. sqm) [8]	3.4
CTP share net take-up [9]	7.7%
Market vacancy rate [10]	7.4%
Prime rent (€/sqm/yr) [11]	66.0
Prime yield [12]	6.3%

CTP INDICATORS	
Locations with standing portolio [13]	10
GLA (in thousand sqm)	405
Projects under construction (in thousand sqm)	597
Landbank (in thousand sqm)	2,989
GAV (in million EUR)	908
LFL rental growth	0.1%
Client retention rate	100%
Next 12 months' revenue (in mil. EUR)	25
WAULT	7.0

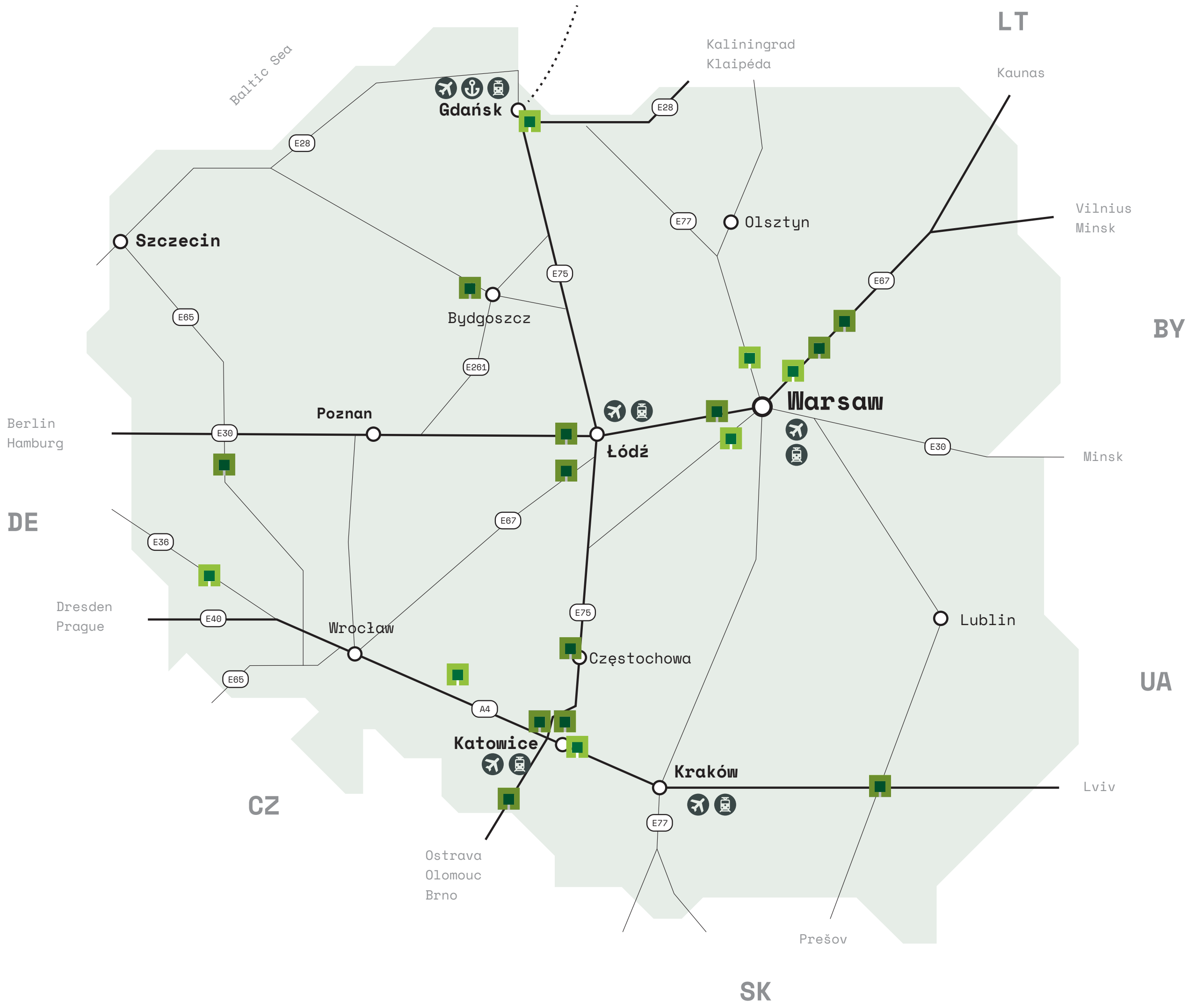
NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries

EU-27 (average figures as comparison)



CASE STUDY

GROWTH MARKETS

PL

TitanX expands operations at CTPark Opole

TitanX Engine Cooling, a Swedish-based global leader in truck cooling systems, expanded operations at CTPark Opole in 2023 with an additional 18,000 sqm of space—growing to 27,000 sqm at end 2025. TitanX first launched its production facility at CTPark Opole in 2018 as one of the park's first tenants with an 11,500 sqm facility and is expanding based on strong customer demand. CTPark Opole, CTP's first industrial and logistics development within its fast-growing Polish portfolio, is located in a tax-friendly Special Economic Zone between Katowice and Wrocław and thus offers tax incentives to companies opting to locate in this dynamic and expanding area—part of the largest industrial region in Central and Eastern Europe.

CTPARK OPOLE

COUNTRY DATA

GROWTH MARKETS

BG

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	6.4
Credit Rating [2]	Baa1
Avg. hourly wage (net labour costs) in manufacturing [3]	
€6.8	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
3.0%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	1.7
Annual growth rate of stock (y/y, %) [6]	10.5%
CTP market share [7]	15.2%
Net take-up (in mil. sqm) [8]	0.1
CTP share net take-up (internal figure) [9]	36.0%
Market vacancy rate [10]	4.2%
Prime rent (€/sqm/yr) [11]	69.0
Prime yield [12]	8.3%
CTP INDICATORS	
Locations with standing portolio [13]	7
GLA (in thousand sqm)	209
Projects under construction (in thousand sqm)	127
Landbank (in thousand sqm)	351
GAV (in million EUR)	241
LFL rental growth	11.0%
Client retention rate	100%
Next 12 months' revenue (in mil. EUR)	15
WAULT	8.0

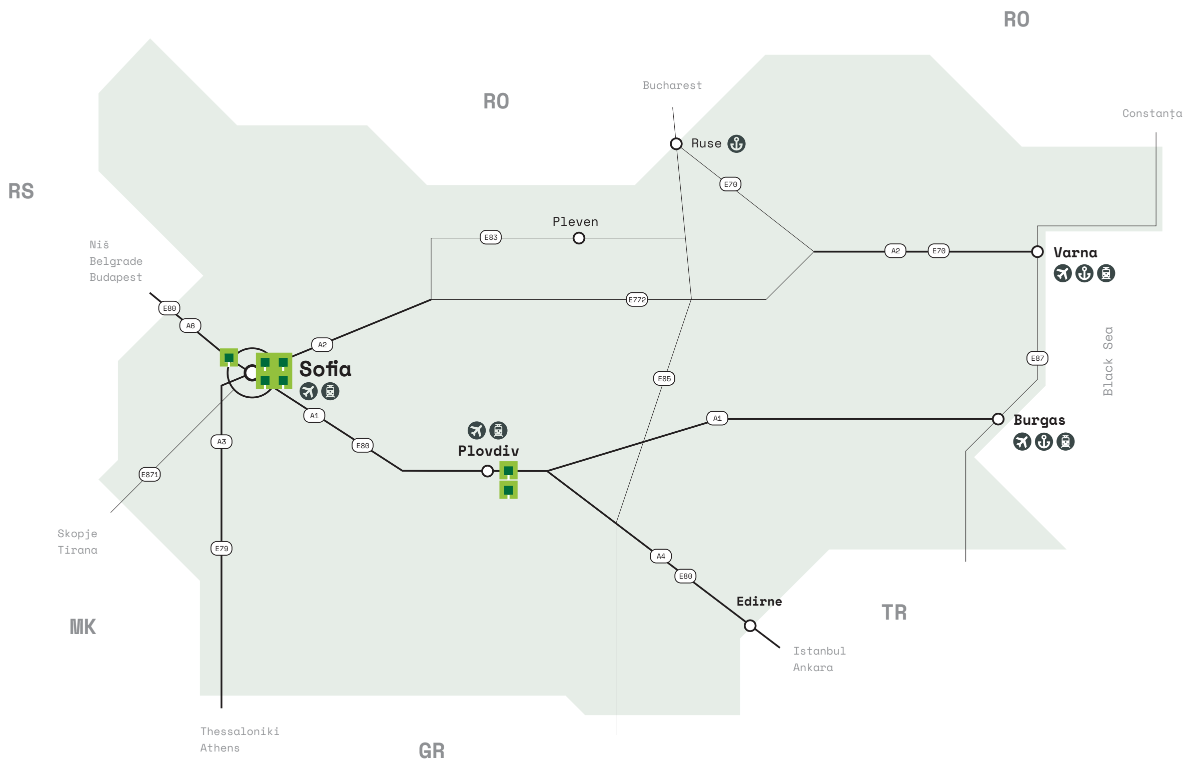
NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries

EU-27 (average figures as comparison)



CASE STUDY

GROWTH MARKETS

BG

CTP helps Quehenberger streamline operations in Bulgaria

Austrian full-service logistics provider Quehenberger recently streamlined its operations in Bulgaria by consolidating its warehousing activities at a single, spacious 4,000 sqm unit at CTPark Sofia East. This strategic move, facilitated by CTP, marks a significant development in Quehenberger's operational efficiency and service quality. Initially operating across four different units at CTPark Sofia, Quehenberger faced challenges in maintaining operational cohesion. Recognising the need for more unified and efficient operations, CTP proposed relocating Quehenberger to a larger, consolidated space at nearby CTPark Sofia East. The new facility not only meets Quehenberger's specific requirements but also offers potential for further growth and collaboration.

COUNTRY DATA

WESTERN EUROPEAN MARKETS

DE

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	84.4
Credit Rating [2]	Aaa
Avg. hourly wage (net labour costs) in manufacturing [3]	
€44.0	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
1.2%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	102.0
Annual growth rate of stock (y/y, %) [6]	4.5%
CTP market share [7]	1.6%
Net take-up (in mil. sqm) [8]	5.3
CTP share net take-up (internal figure) [9]	3.1%
Market vacancy rate [10]	2.9%
Prime rent (€/sqm/yr) [11]	114.0
Prime yield [12]	4.3%

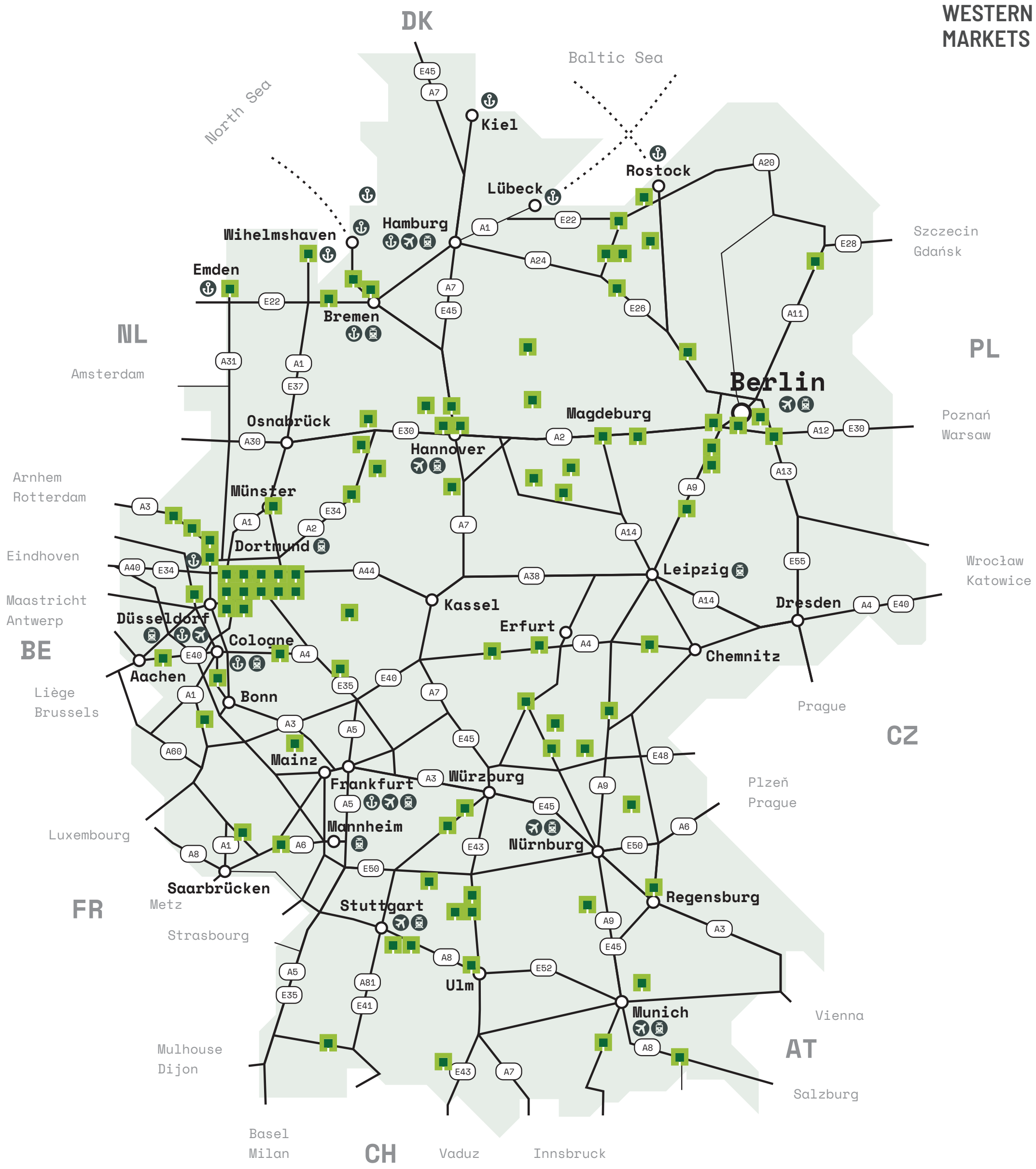
CTP INDICATORS	
Locations with standing portolio [13]	103
GLA (in thousand sqm)	1,655
Projects under construction (in thousand sqm)	76
Landbank (in thousand sqm)	546
GAV (in million EUR)	1,220
LFL rental growth	N/A
Client retention rate	97%
Next 12 months' revenue (in mil. EUR)	70
WAULT	4.2

NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/ Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

- CTP countries
- EU-27 (average figures as comparison)



WESTERN EUROPEAN MARKETS

DE

CASE STUDY

Heineken enhances its sustainable distribution for Germany from CTPark Weiden

CTPark Weiden in south-eastern Germany is home to Heineken's new central distribution warehouse for the German market. In November 2023, CTP signed a lease agreement with specialised beverage logistics operator Sirl Interaktive Logistik, which will operate the new, 26,000 sqm facility for the Dutch-based beer major. Heineken's new state-of-the-art facility, together with the company's existing distribution hub in Duisberg, will service the entire German market, greatly enhancing efficiencies and sustainability. CTP acquired the former ATU central warehouse in Weiden in spring 2023, where it is currently delivering a sustainable refurbishment and upgrade of the park in the Oberpfalz region that will increase the 44,000 sqm GLA to 60,000 sqm GLA.


CTPARK BREMEN

COUNTRY DATA

WESTERN EUROPEAN MARKETS

NL

MACROECONOMICS INDICATORS

Population (in mil.) [1]	17.8
Credit Rating [2]	Aaa
Avg. hourly wage (net labour costs) in manufacturing [3]	
€40.2	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
1.0%	1.8%

MARKET INDICATORS

Total stock (in mil. sqm) [5]	43.8
Annual growth rate of stock (y/y, %) [6]	5.2%
CTP market share [7]	0.6%
Net take-up (in mil. sqm) [8]	2.5
CTP share net take-up [9]	0.9%
Market vacancy rate [10]	2.5%
Prime rent (€/sqm/yr) [11]	110.0
Prime yield [12]	4.7%

CTP INDICATORS

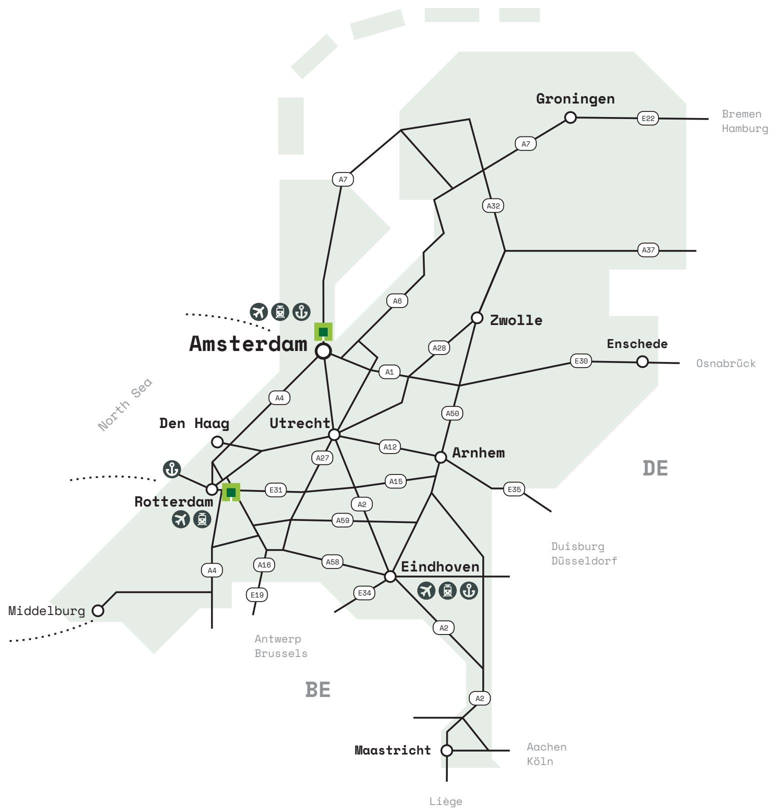
Locations with standing portolio [13]	3
GLA (in thousand sqm)	247
Projects under construction (in thousand sqm)	-
Landbank (in thousand sqm)	1,564
GAV (in million EUR)	448
LFL rental growth	0%
Client retention rate	100%
Next 12 months' revenue (in mil. EUR)	9
WAULT	13.0

NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/ Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries
EU-27 (average figures as comparison)



CASE STUDY

Vertical farm innovator Growy launches HQ at CTPark Amsterdam City

CTPark Amsterdam City is now home to Dutch vertical farming innovator Growy. The company's 4,750 sqm of multifunctional space at CTPark Amsterdam City includes a full-scale urban farm and Growy's international headquarters. The park's proximity to Schiphol Airport and densely populated areas aligns perfectly with Growy's vision of sustainable, high-quality food production. CTPark Amsterdam City—a pioneering, multimodal 120,000 sqm distribution hub located in the Port of Amsterdam—is CTP's flagship development for sustainable, energy self-sufficient parks. Certified BREEAM Excellent, the multi-story XXL facility supports zero-emission last-mile logistics and aligns with Amsterdam's future emission-free zones.

WESTERN EUROPEAN MARKETS

NL

CTPARK AMSTERDAM CITY

COUNTRY DATA

WESTERN EUROPEAN MARKETS

AT

MACROECONOMICS INDICATORS	
Population (in mil.) [1]	9.1
Credit Rating [2]	Aa1
Avg. hourly wage (net labour costs) in manufacturing [3]	
€43.0	€30.5
GDP per capita growth, 2023–2028 (CAGR) [4]	
0.8%	1.8%

MARKET INDICATORS	
Total stock (in mil. sqm) [5]	3.3
Annual growth rate of stock (y/y, %) [6]	10.4%
CTP market share [7]	2.3%
Net take-up (in mil. sqm) [8]	0.2
CTP share net take-up (internal figure) [8]	21.0%
Market vacancy rate [10]	1.6%
Prime rent (€/sqm/yr) [11]	83.4
Prime yield [12]	5.0%

CTP INDICATORS	
Locations with standing portolio [13]	3
GLA (in thousand sqm)	77
Projects under construction (in thousand sqm)	104
Landbank (in thousand sqm)	441
GAV (in million EUR)	211
LFL rental growth	1.0%
Client retention rate	100%
Next 12 months' revenue (in mil. EUR)	8
WAULT	9.2

NOTES

1, 3 Eurostat 2 Moody's 4 IMF 5–7, 11–12 CBRE 8–10 CBRE/Colliers 13 Locations with at least one standing property. Locations are indicative only, as they represent IP, IPuD and selected landbank locations.

NOTES 3–4

CTP countries
EU-27 (average figures as comparison)

CASE STUDY

WESTERN EUROPEAN MARKETS

AT

Toyota launches its first European carbon-neutral parts warehouse at CTPark Vienna East

CTP's first development in Austria—ultra-modern, BREEAM-certified "Outstanding" CTPark Vienna East—is home to a new 12,000 sqm warehouse and office facility for Toyota Logistics Services Austria GmbH—the spare parts distribution arm of the Japanese auto giant. At full operation, the building's rooftop solar panels and other energy-saving technologies will make the facility Toyota's first carbon-neutral parts warehouse in Europe. The park's prime location 15 minutes from Vienna's Schwechat Airport and close to the A4 motorway makes it ideal for the company to manage their logistics and light industrial needs.


CTPARK VIENNA EAST

ESG

4 ESG

4.1 Highlights

Corporate Responsibility

SUSTAINABILITY COMMITTEE ACTIVITY IN 2023

CTP established the Sustainability Committee of the Board of Directors in October 2022. The committee oversees the ESG agenda of the CTP Group. In 2023, five meetings of the Sustainability Committee took place.

SUSTAINALYTICS
a Morningstar company

ESG RISK RATING

9.5	Negligible Risk			
Negligible 0-10	Low 10-20	Medium 20-30	High 30-40	Severe 40+

GRESB ★★★★★ 2023

RATINGS

Sustainalytics
CTP further improved its ESG ratings in 2023. In September, the Company received an ESG Risk Rating of 9.5 from Morningstar Sustainalytics and was assessed to be at "Negligible Risk" of experiencing material financial impacts from ESG factors.[1]

GRESB
In 2023, CTP took part in the GRESB assessment. The assessment covered two aspects of CTP's operations—Standing Portfolio and Development. In both assessment categories, CTP scored 69 out of 110.

1 These results shall not be construed as investment advice or expert opinion as defined by the applicable legislation.

Sustainable Real Estate

OPERATOR

ESG CAPEX plan
CTP analysed the sustainability performance of its properties during 2023. The analysis consisted of a physical climate analysis, an actual building performance analysis, a transition risk analysis and an Energy Performance Certificate. The results will be used to develop the Group's Transition Plan for Climate Change Mitigation.

DEVELOPER

ESG new projects requirements
During 2023, CTP incorporated the EU taxonomy into its newly written ESG requirements for new buildings and refurbishments. Alignment with the EU taxonomy—a classification system established as part of the European Green Deal initiative to define economic activities considered environmentally sustainable—enables CTP to further systemise sustainability requirements for construction activities and to report transparently on targets and achievements.

ENERGY

Renewable energy sources development
In 2023, CTP added 62 MWp to its installed photovoltaic ("PV") capacity. Together with systems developed prior to 2023, the Company's total installed PV capacity reached 100 MWp at the end of the year. Estimated energy production can meet the household needs of more than 22,000 households.

Sustainability Reporting

FIRST STAND-ALONE SUSTAINABILITY REPORT

In June 2023, CTP published its first standalone Sustainability Report which can be found on ctp.eu. The report was developed in accordancewith the Global Reporting Initiative ("GRI") and presented information in line with the recommendations of the Task Force on Climate-related Disclosures ("TCFD"). It also presents ESG targets, related data, and numerous examples of CTPs ESG initiatives.

INTRODUCTION OF CSRD REQUIREMENTS INTO THE 2023 ANNUAL REPORT

CTP has introduced requirements of the EU's Corporate Sustainability Reporting Directive ("CSRD") into its 2023 Annual Report—a year before the EU's new disclosure requirements come into force.

Innovation

URBAN DEVELOPMENT

CTP is working together with the authorities in Brno—the Czech Republic's second-largest city—on a master plan to develop an innovative, mixed-use, high-tech campus that will bring together different companies and universities to encourage cooperation and support innovation. Another example is the redevelopment underway at CTPark Krefeld in Germany. This transformation includes renovating existing buildings and adding new space. The buildings will be equipped with rooftop solar panels for a fossil-free energy supply and reduced CO_2 emissions during operation.

BREEAM OUTSTANDING CERTIFICATION

In 2023, CTP received 61 new BREEAM certificates. 57% of these certificates are Excellent or Outstanding. More information can be found in Appendix 7.3.4

CLUBHAUS AND CLUBCO EXPANSIONS

In 2023, CTP opened its fifth Clubhaus community centre at CTPark Ostrava and began construction of its sixth at CTPark Warsaw West to create public space for client employees and the local community. During the year, 30 events were organised at existing Clubhaus facilities throughout the CTPark Network. CTP also now operates three of its Clubco co-working spaces, having opened the third in 2023 at IQ Ostrava in the Czech Republic.

4.2 Scope and Basis for Preparation of Non-financial Disclosure

4.2.1 Basis for preparation

ESRS 2 BP-1-5, ESRS E1-5-MDR-M, ESRS E1-6-MDR-M, GRI 2-5

CTP prepared the sustainability statements disclosed within this Annual Report on a consolidated basis. Where the European Sustainability Reporting Standards ("ESRS") and GRI require, the statements are presented more granularly, for example, by country. No separation has been prepared based on different entities within the Group, in line with the Financial Statements. In doing so, CTP fulfils most of the applicable requirements of the CSRD a year before the new disclosure requirements become obligatory for CTP.

CTP's non-financial disclosure boundaries relate to CTP N.V. and its value chain which are based on the financial control consolidation approach[1]. As the Company does not own any properties in joint ventures, the financial control approach provides a comprehensive view of impacts and is in line with the Financial Statements. In this Report, CTP does not segment the reported data either by country or property type.

Depending on the topic, this Report also covers CTP's value chain. For energy, water and waste, CTP reports on consumption in its own operations, such as offices, parks, and transportation and those of its clients, i.e., downstream leased assets. For greenhouse gas ("GHG") emissions, reporting also includes upstream purchased goods and services for its construction activities and business travel.

For the workforce, CTP discloses data on its own workforce, which includes employees on the payroll and workers who are self-employed. Other disclosures are limited to CTP's own workforce.

For topics related to governance, CTP reports on its own activities and on the value chain where data is available. There are no exemptions from disclosure applicable to CTP, nor is there any intellectual property-related information that the Company omits.

Environmental data, including energy, water, waste, carbon emissions, photovoltaic ("PV") capacity, and green lease coverage have been assured by an independent third party (Arcadis) in accordance with ISO 14064-3 (guidance for the verification and validation of greenhouse gas statements).

4.2.2 Risk management and internal controls over sustainability reporting

ESRS 2 GOV-5-36

CTP deploys a multi-layered structure for the identification and management of risks throughout the Group's activities, including ESG-related risks. See Section 4.6 for details of ESG oversight at CTP; see Section 5.5 for a detailed description of CTP's Group-wide approach to risk management.

CTP's ESG department supports the Risk Management department to identify and manage ESG-related risks facing the Group, among others relating to the construction of new buildings, acquisitions, and property management.

The ESG department interacts routinely with various CTP departments as well as external stakeholders, handles the collection and management of large quantities of internal, property-level data (e.g., relating to emissions, energy consumption, HR statistics, etc.), and prepares reporting in accordance with numerous standards (e.g., CSRD, GRI standards, EPRA sBPR Guidelin, TCFD and EU taxonomy), often using external partners for certification.

1 As per the Greenhouse Gas Protocol.

Within the taxonomy of risks established by CTP's Risk Management department, which can be found in Section 5.5 of this Report, 49 unique risks, actual and potential (Level 3), have been identified and organised into 19 Risk Groups (Level 2) based on their similarity and ownership by different functions, and ultimately into four risk areas (Level 1). The following 15 of those risks are related to ESG—some are directly related to sustainability, like physical and transition risks, while others are indirectly related:

- HR availability risks;
- customer behavioural changes;
- climate change risks (physical risk);
- M&A risk;
- environmental risks (transition risk);
- social responsibility risks;
- corporate governance;
- acquisition risks (properties or land);
- maintenance risk;
- health and safety;
- fraud, irregularities, misconduct;
- damage to property (fire, floods);
- reputational risk;
- non-compliance with regulation/legislation/internal rules and procedures; and
- changes to the legal/regulatory environment.

During the year, the Head of the ESG department reports periodically on the findings of ESG-related risk assessments and internal controls to CTP's Board of Directors via the Board's Sustainability Committee. Based on this reporting, the Sustainability Committee sets the actions and targets for various departments and functions within the Company. See Section 5.2.2 for details on CTP's Sustainability Committee and its activities in 2023.
Additionally, the Risk Management department uses some of the collected data (e.g., CO_2 emissions and intensities, Asset Decarbonisation Pathways, and physical climate change scenarios) for risk estimates such as physical risks and transition climate risks. The ESG department also collects various data during the year that is shared with external partners for ratings.

From 2023, CTP publishes the findings of its risks assessments and internal controls in an integrated yearly report, as in this Annual Report. For a description of the ESG-related risks that CTP has identified via a double materiality assessment and their management, see Section 4.4.

The underlying data that CTP collects internally for reporting is collected according to strict guidelines. As the execution of this process is done manually, mistakes caused by human error are possible. As part of the internal controls on this data, data is compared against different periods, and where needed, explanations and corrections are requested from the involved staff. Internal process descriptions are followed and include internal multi-level control systems. Additionally, once a year, as part of reporting preparation, CTP invites an external party to review the collected data as described in Section 4.2.1.

4.2.3 Specific circumstances

ESRS 2 BP-2-9

CTP deviates from the time horizons suggested within the ESRS as the dynamics of its business horizon require a different view. A one-year short-term horizon leads to difficulties in verifications of consistency and comparability of performance. Similarly, due to the sector in which CTP operates, the execution of measures requires considerations over a longer time period. Therefore, short-term goals are set for 2026, medium-term goals for 2030, and long-term goals for 2050.

4.2.4 Assumptions and estimations

ESRS 2 BP-2-10, ESRS 2 BP-2-11

The majority of the data and information disclosed in this Annual Report is based on actual Company and value chain data. The best possible estimates have been used where no actual data is available. Estimates have been applied in the calculation of the embodied carbon footprint from building materials (GHG emissions, Scope 3 category 1); where specific information on emission factors was not available in the form of an Environmental Product Declaration ("EPD"), industry- and country-specific averages were used. The growing trend of providing EPDs for materials within the construction industry and among CTP's chain of suppliers is expected to improve the accuracy of the Company's calculation of its embodied carbon footprint, replacing estimates with actual data.

Within business travel, for which the Company reports GHG emissions under GHG emissions Scope 3 category 6, CTP created averages for hotel nights abroad. Each office reported the number of nights abroad, and based on this information, an average emission factor for hotel nights abroad was created for the reporting office.

For landlord-obtained utility consumption, CTP achieved full coverage. Therefore, no assumptions and estimations are required.

CTP was not able to collect all client-related data in its portfolio which affects reporting on energy, GHG emissions, water consumption and waste collection within downstream leased assets. For the calculations of the intensities, as required by the ESRS, CTP assumes that the data that has been collected is representative for the entire portfolio, and therefore intensities are based on the available data. Ongoing actions to improve data coverage include the roll-out of green leases, which encourage clients to share utility-related data with the Company. The Company does not report on any estimated data related to energy, GHG emissions related to Scope 3 category 13 or other types of consumption in its totals.

Two factors limit the completeness of data collection. Firstly, there is no data for an entire building; and secondly, CTP only obtained partial data, for example, fuel consumpion was received and electricity was not. To avoid reducing the accuracy of its intensity calculations, CTP excludes the buildings with incomplete data for energy and water. Collected data is based on evidence and verified internally. This ensures the high accuracy of presented data.

For some KPIs related to own workforce, e.g., absentee rate and parental leave, CTP depends on the data delivered manually by HR representatives in the different countries, where differences in interpretation can occur. Therefore, data has been reviewed by the ESG team, in consultation with HR. CTP's recently implemented HR system will include these metrics in the next years. Based on the manner in which data is collected, uncertainty in the Company's own workforce data is negligible.

The underlying data for the physical climate risk-related calculations that CTP discloses in this Report is based on existing and prevailing climate scenarios created by the International Panel on Climate Change ("IPCC"). Based on these scenarios, climate-risk estimates are assessed for each building that CTP owns and operates. For more information, please refer to Section 4.7.1.1.

CTP chose the IPCC scenarios that are considered the most accurate. Uncertainty and inaccuracies in its own data are explained in each chapter.

4.2.5 Changes compared to 2022

ESRS 2 BP-2-13

The environmental data in CTP's 2022 Sustainability Report included assets that CTP manages for third parties (i.e., the DEKA portfolio). As stated in Section 4.2.1 (Basis for preparation), only owned properties are included in the disclosures in the present Report, so that the non-financial disclosures are in line with the Financial Statements. Buildings that are managed by CTP but owned by third parties are not included.

In its 2022 Sustainability Report, CTP reported its transportation fuel consumption in litres. To comply with the ESRS and increase comparability, the 2022 figures have been changed from litres to MWh.

For the calculations of energy, operational carbon footprint and water intensity, values were recalculated to exclude buildings with incomplete data coverage. This was done to increase the accuracy of intensity numbers through the elimination of under-reported consumptions. For revised figures please refer to sections 7.3.1.3 and 7.3.2.4.

4.2.6 Restatement

ESRS 2 BP-2-14, GRI 2-4

After the publication of its 2022 Sustainability Report, CTP identified that the refrigerant loss figures reported were not accurate. In some cases, the total capacity of cooling systems was considered instead of actual losses.

In the 2022 Sustainability Report, CTP disclosed a total Scope 1 emission of 39,883.21 tCO_2e, with refrigerants being responsible for 36,182 tCO_2e. The corrected figure, which is also disclosed in Section 7.3.1.2 of this Report, is a total Scope 1 emission of 6,088.74 tCO_2e, with refrigerants being responsible for 2,387.13 tCO_2e.

4.2.7 Other applicable legislation

ESRS 2 BP-2-15

Beyond the CSRD, on which this Report is mainly based, other legal acts contain non-financial details that CTP is obliged to disclose. They are based on the following:

- the relevant provisions of the Dutch Civil Code (*Burgerlijk Wetboek*) and the Dutch Financial Markets Supervision Act;
- the Dutch Corporate Governance Code;
- Implementation Decree on the Sustainability Directive;
- EU Women on Boards Directive 2022/2381; and
- EU taxonomy.

4.3 Stakeholder Engagement

ESRS 2 SBM-2-45, GRI 2-29

CTP engages its stakeholders proactively. During an internal workshop as part of its 2022 double materiality assessment ("DMA"), the Company identified its relevant stakeholders and established different methods of engagement for each type to ensure efficient and appropriate management of the engagement (see Section 4.4 for more information about the DMA process). This aligns with CTP's business approach and commitment to corporate responsibility. The list of stakeholder groups and the means of engagement are listed in the adjacent table.

STAKEHOLDER GROUPS

Stakeholder group	Group interest and purpose of engagement	Method of engagement	Frequency of engagement
Shareholders, Bondholders	Interest in current performance and outlook. Inform.	Reporting, (in-person) meetings, asset visits	Quarterly/annually
Banks, Other Financing Institutions	Interest in risk related to CTP's operations and performance. Inform.	Meetings, reporting	On-demand.
Rating Agencies	Interest in performance metrics. Inform.	Reporting and (in-person) meetings	Regular disclosure, on-demand meetings
Tenants	Leasing space, reliability of lesser. Inform, offer, and manage cooperation.	Direct meetings.	Continuous, depending on needs.
Suppliers and Vendors	Stable cooperation. Manage cooperation.	Contractual agreements and in-person meetings.	Continuous, depending on needs.
Local Authorities	Sustainable development and economic growth of governed areas. Manage cooperation.	In-person meetings.	Continuous, depending on needs.
Local Communities	Development plans, impact on quality of living, potential new workplaces. Inform, engage.	In-person meetings.	Continuous, depending on needs.
Construction Site Neighbours	Interest in potential impacts and inconveniences related to construction sites. Inform and address concerns.	Information boards at sites, in-person.	Depending on needs
Employees	Fair workplace practices, learning and development, and performance. Manage cooperation. Inform.	In-person group meetings, country team meetings, one-to-one meetings	Continuous, depending on needs.
NGOs, Industry Bodies	Best practice sharing, support cause. Inform.	Membership, financial support, in-kind support, meetings, participation in events	Continuous, depending on needs.

In the subsequent engagement, CTP managers and key decision makers at clients were interviewed and surveyed as those most impactful on the business. Their views and opinions shaped the results of CTP's 2022 DMA, as they are considered for the weight each material topic is given in the results. These results shape the priorities and are continuously used as an input on CTP's strategy and business model.

CTP is currently developing a stakeholder engagement policy.

4.4 Materiality

GRI 3-1, 3-2

To obtain unbiased results, CTP's DMA process was led by an appointed third party, Arcadis, which conducted a series of interviews and surveys with selected CTP stakeholders during 2022. The input was gathered to evaluate the Company's initial ESG strategy and prioritise and validate the list of potential material topics identified through earlier desktop research, consisting of GRI material topics screening and reviews of peers.

A description of the stakeholder engagement process and the complete list of CTP's stakeholders can be found in Section 4.3 of this Report.

4.4.1 Material impacts, risks, and opportunities and interaction

ESRS 2 SBM-3-48

In 2022, CTP formalised its ESG strategy based on four pillars, where the Company's different ESG goals, targets, and measures are defined. As the business environment constantly evolves, the Company reviews and adjusts its ESG strategy and targets on a regular basis. The topics identified as material to CTP during the 2022 DMA were used in 2023 to review the Company's four-pillar strategy, which led to the expansion of one pillar and the narrowing down of others.

The pillar "Embedding Parks in Communities" contains no material topics. While not directly material to its business, the Company values establishing and maintaining long-term positive relationships with the communities where it operates as part of its overall business strategy (see Section 4.7.2 for a detailed description of CTP's activities related to this pillar).

As a result of CTP'S 2022 DMA, the following topics have been identified as material to the Company and its own activities:

1. Energy efficiency and renewable energy; operational GHG emissions and carbon neutrality; sustainable design and certification; climate adaptation and resilience; supply-chain management. A description of impacts and CTP's actions can be found in Section 4.7.1 – "Striving to Be Climate Positive".
2. Health, safety and well-being; employee recruitment and development; diversity, equity, and inclusion. A description of impacts and CTP's actions can be found in Section 4.7.3 – "Stimulating Social Impact & Well-being".
3. Ethical business conduct; board oversight; and labour and human rights. A description of impacts and CTP's actions can be found in Section 4.7.4 – "Conducting Business with Integrity".

The identified impacts are expected to be material. CTP does not consider them to be time-bound and therefore are to be verified with each revision of the DMA. Additionally, as CTP has a similar business in each country where it operates, all impacts, risks, and opportunities identified are location agnostic.

In 2023, CTP used the results of its 2022 DMA to develop and prioritise action plans for different sustainability-related areas relating to its business. Since its 2022 DMA, CTP has not reviewed its material impacts, risks, and opportunities. In 2024, the Company expects to revise the DMA, with updated parameters and criteria in line with the ESRS. This will improve CTPs insights into the effects of material impacts, risks and opportunities on its business model.

Beyond the above-mentioned material topics, there are additional topics that CTP values, e.g., water, waste, or community engagement. For these topics, the Company only uses GRI disclosures, whereas for material topics it uses ESRS and GRI.

4.4.2 The process of identifying material impacts, risks and opportunities

ESRS 2 IRO-1-53, ESRS 2 IRO-2-56, ESRS 2 IRO-2-59

CTP carried out its DMA in line with the GRI guided by Arcadis. The DMA covered the Group's entire organisation, including all business activities, all countries of operation, and all stakeholder relationships.

Section 4.3 of this Report shows the complete list of stakeholders that CTP interacts with throughout its value chain. For the DMA process, the Company considered its most important stakeholders to be:

- CTP managers; and
- clients' key decision makers.

CTP carried out a multi-staged review process to identify material topics for the Company.

Initial desktop research was done to create a long-list of sustainability topics potentially material to CTP. During this desktop research, the following aspects were considered:

- CTP's business activities;
- topics that are typically relevant to CTP's industry and the countries where it operates, with the following sources:
    - sustainability disclosures of peers;
    - external databases that provide information relevant to understand industry-specific outward and inward impacts.

During the workshops, CTP representatives presented and validated the long-list. This list was narrowed down to a short-list of the most relevant topics to CTP and its operations. Based on the short-list, Arcadis designed a survey and interview scripts to enable the collection of input from the selected stakeholders.

In the surveys and interviews, participants were requested to score items on a 1-5 rating scale, with 5 representing topics with the highest material impact. Based on the results of these surveys and interviews, average scores for each topic were calculated and charted on a graph to present both their impact on CTP's stakeholders and their financial impact on CTP's business. Following an internal review of these results, CTP identified the topics most material to the Group. The threshold to distinguish between material and non-material topics was created taking account CTP's business model. The material topics identified will be revised in 2024 to ensure the inclusion of CSRD requirements.

The results of the 2022 process, including the topics defined as material, were discussed with the Board in 2023.

Using Application Requirement 12 of Appendix B, ESRS 1 General Requirements, the results of the materiality assessment were mapped, in collaboration with Arcadis, against the disclosure topics that the ESRS (under the CSRD) provides. Based on this mapping, CTP decided that the disclosure requirements that cover these topics include their material topics:

- E1: Climate Change, to be found in Section 4.7.1 – "Striving to Be Climate Positive":
    - energy efficiency and renewable energy;
    - operational GHG emissions and carbon neutrality;
    - supply-chain management;
    - sustainable design and certification;
    - climate adaptation and resilience;
- S1: Own Workforce, to be found in Section 4.7.3 – "Stimulating Social Impact & Well-being":
    - health, safety and well-being;
    - labour and human rights;
    - diversity, equity, and inclusion;
    - employee Recruitment and Development.
- S2: Workers in the Value Chain, to be found in Section 4.7.4 – " Conducting Business with Integrity":
    - health, safety and well-being;
    - Labour and human rights;
    - supply-chain management;
- G1: Business Conduct, to be found in Section 4.7.4 – "Conducting Business with Integrity":
    - ethical business conduct;
    - board oversight.

The results of the 2022 DMA have been analysed together with the Risk Management team and conclusions have been implemented in the risk inventory. CTP's risk inventory is structured to avoid overlapping risks and is complete. The 15 risks in the risk inventory that have been identified to be directly or indirectly related to sustainability cover all aspects of materiality—both the impact on the Company and the Company's impact. They address the Company's business model and activities, the real estate and construction sectors, and the macroeconomic environment. The impacts, risks and opportunities are considered to have full coverage and are well managed and mitigated. The likelihood of climate scenarios can be found in Section 4.7.1.1.2.

Impacts, risks and opportunities including those identified in the DMA are analysed as a part of general business processses to keep business strategy up to date.

4.5 CTP Value Chain

GRI 2-6, 204-1, 308-1, 308-2, 412-3, 414-1, 414-2, ESRS 2 SBM-1-40

The results of the DMA show that supply-chain management is a material topic for CTP. Additionally, CTP strives to positively influence its value chain and when possible leverages its size to create more sustainable operations for itself while at the same time promoting sustainability within the real estate sector.

4.5.1 Upstream

CTP works with between 650–700 suppliers, providers, and contractors across its supply chain to create and maintain long-term relationships. CTPs suppliers must adhere to the Company's Supplier Code of Conduct ("SCOC"). Beyond the SCOC, there is a standard set of Terms and Conditions applied to all orders, though for some of its materials and products Environmental Product Declarations ("EPDs") are required as well.

CTP selects its suppliers and providers with care and ensures compliance with its SCOC. For this purpose, CTP screens current and new suppliers, with 878 screenings taking place in 2023.

As a business practice, the Group applies the strategy of "local, when possible, international where needed"—where "local" is defined by the national borders of the countries where it operates. This practice applies to materials and labour. In 2023, CTP locally sourced approximately 70% of its materials and approximately 95% of its labour.

The main focus of CTP's procurement efforts in terms of ESG is on materials used during the construction process, as this is a significant part of the Company's business. Because of the scope of its ongoing construction activities, CTP can procure building materials and products commonly used in bulk. This also enables procurement of materials that are made to fit, greatly reducing material construction waste.

Based on life-cycle assessments ("LCAs") conducted in 2022 and 2023, CTP selected priority materials based on their related CO_2 emissions, of which the embodied carbon emissions ($kgCO_2e/sqm$) are to be reduced. In the coming years, LCAs will be used to monitor this reduction and to review the impact of materials at the project level.

CTP actively diversifies its supply chain and the materials acquired. Though common practice within the Company, it is a means to mitigate climate-related risks within its supply chain.

4.5.2 Downstream

CTP offers high-quality, sustainable buildings to accommodate different types of operations, from logistics and light manufacturing to R&D labs and offices. CTP creates space that is used by large multinational companies as well as mid- and small-sized local businesses. The Group also has an impact on the operational performance of the buildings that it owns and operates. Efficient design and the selection of the appropriate building materials, equipment and solutions ensure a sustainable environment for client operations, which enables them to focus on their core business operations efficiently and sustainably. Moreover, CTP cooperates with clients through green clauses in lease agreements. These clauses ensure common efforts to reduce utility consumption and long-term building use.

CTP's property management teams handle the maintenance and optimisation of building systems to ensure that clients can use their premises in a sustainable way. Additionally, CTP's community managers organise onsite social activities at the business parks owned and operated by the Company to encourage engagement and cooperation among clients and their employees.

4.6 ESG Oversight

ESRS 2 GOV-1-23, ESRS 2 GOV-2-26, GRI 2-5, GRI 2-12, GRI 2-13, GRI 2-14

CTP's Board of Directors established the Sustainability Committee in 2022. The committee meets each quarter, and its purpose is to prepare the decision-making of the Board in sustainability-related issues, including the required skills in the Company. The resulting topics of the 2022 DMA largely shape the agenda. The Sustainability Committee is chaired by Susanne Eickermann-Riepe. For her biography, please refer to Section 5.1.1. The Group Head of ESG is responsible for identifying, monitoring progress, and reporting on all sustainability-related material impacts and risks, as well as the effectiveness of sustainability-related policies and metrics, and presents to the Sustainability Committee.

The Audit Committee meets as often as required, and its main purpose is to prepare the decision-making of the Board of Directors and supervise, monitor, and advise regarding the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control. The Head of the Risk Management department is responsible for identifying, monitoring, and reporting all risks and material impacts as well as the effectiveness of risk management and metrics and reports to the Audit Committee.

The Heads of the ESG and Risk Management departments work together with the Group CFO and COO on a weekly basis and inform them of any sustainability risks and concerns that may require their attention. They are also regular guests of the Sustainability Committee and Audit Committee to update them on specific issues, including the physical and transition climate risks.

The environmental aspect of Sustainability is assessed during CTP's acqusition approval process. In their decision-making, the Executive Directors consider, among others, legal, technical, and environmental matters which are included in sustainability-related due diligence processes.

For new properties, there are clear ESG requirements for development projects based on prevalent legislation and criteria stemming from ESG ambitions.

The Risk Management department has identified the Company's ESG-related risks and quantified the potential impact and probability of occurrence based on its Risk Management Policy and regularly updates the Audit Committee on the ESG-related risks, which addresses them on behalf of the Board. ESG-related risks are presented in Section 4.2.2.

4.7 ESG Strategy

CTP's ESG strategy systemises the Company's approach towards sustainability-related topics within four conceptual pillars:

1. **Striving to Be Climate Positive;**
2. **Embedding Parks in Communities;**
3. **Stimulating Social Impact & Well-being; and**
4. **Conducting Business with Integrity.**

4.7.1 Striving to Be Climate Positive

CTP's ambition is to become climate positive covering all its activities, from corporate operations to development and asset management activities. Through the actions and decisions it takes, CTP seeks to have a positive long-term effect on the environment, including the climate.

The results of CTP's DMA in 2022 indicated that climate change is a material topic for the Company. This includes areas such as energy efficiency, renewable energy, operational and embedded GHG emissions, and climate adaptation and resilience. According to estimates from the United Nations[1], the built-up environment is responsible for around 40% of total GHG emissions.

1 https://www.unepfi.org/themes/climate-change/40-of-emissions-come-from-real-estate-heres-how-the-sector-can-decarbonize/

The ESG strategy pillar "Striving to be Climate Positive" is set up to mitigate the longer-term negative GHG impacts for the Company.

Over the last three years, CTP implemented ESG data collection and reporting processes. The Company's approach is to cover four areas:

1. corporate operations (Scopes 1, 2, 3);
2. the Company's parks and landlord-controlled consumption (Scopes 1, 2);
3. client-controlled consumption within the portfolio (Scope 3); and
4. construction activities, including purchased construction materials (Scope 3).

CTP'S TARGETS FOR STRIVING TO BE CLIMATE POSITIVE

Category	Baseline YE 2022	Performance 2023	Targets YE 2026
% of renewable electric energy of CTP's and tenants' electric energy mix	24%	64%	80%
% of GLA covered by leases containing a green lease clause	19%	37%	50%
MWp of installed PV capacity	38	100	400
% of parks with biodiversity efforts introduced /installed	Starting point	38%	80%
Average embodied carbon footprint reduction ($kgCO_2e/m^2$)* **	Starting point	476kgCO2/sqm	–10%
Operational carbon footprint ($kgCO_2e/m^2$)* ** Market-based (Y/Y)	28.03	25.47 (-9.1%)	
Water intensity (use, utilisation) reduced (m^3/m^2) **	0.19	0.19	–15%
Taxonomy alignment of construction and ownership of properties (lowest of all KPIs)	5%	21%	60%
Selective waste collection development activities (share of projects)	Starting point	45%	80%
% of car fleet EV	Starting point	0%	25%

* Targets subject to adjustment to be in line with Transition plan for climate change mitigation requirements.
** Values have been recalculated to reflect buildings for which full coverage of data is available.

4.7.1.1 Climate

4.7.1.1.1 Transition plan for climate change mitigation

ESRS E1-1-17, GRI 3-3, GRI 201-2

CTP is currently preparing its Transition Plan for Climate Change Mitigation. The Transition Plan will incorporate the Company's existing goals, targets, and actions that can be found further in this chapter.

4.7.1.1.2 Material impacts, and risks and opportunities

ESRS E1 SBM-3-19, GRI 3-3, GRI 201-2

Following the 2022 DMA, CTP identified five topics related to climate change, which contain impacts, risks, and opportunities.

Energy efficiency and renewable energy

The first of these topics is energy efficiency and renewable energy. As part of its business strategy and to meet the growing demand among its clients for energy-efficient space, CTP makes ongoing efforts to reduce the energy consumption of the buildings that it owns and operates through upgrades to its standing portfolio and by ensuring high efficiency standards for new developments. In addition to energy efficiency, CTP has identified renewable energy as a significant opportunity, as the large rooftop surface area of the Company's buildings allows it to install PV systems for the production and provision to its clients of renewable solar energy.

CTP's expanding energy business creates a new revenue stream for the Company while simultaneously helping CTP to mitigate risks associated with GHG emissions and the related transition risk of increased energy costs for fossil fuels, as their usage is slowly phased out in the EU. See Section 3.2 for more information on CTP's energy business.

Operational GHG emissions

CTP considers climate risks related to operational GHG emissions as a large risk. This risk is associated with, among others, physical risks (e.g., changing weather patterns) and transition risks (e.g., carbon taxes). CTP's activities related to this risk include the construction, operation, and demolition of real estate. While CTP's direct emissions under its control (Scopes 1 and 2) are limited, indirect (Scope 3) emissions related to the Company's value chain constitute 98% of total emissions.

Physical climate risk assessment

In 2022, CTP conducted a physical climate risk assessment as a part of overall risk management. In 2023, this was expanded to include newly developed and acquired properties. Analysed time horizons cover up to 2050. The assessment shows that even under "RCP 8.5"—the most severe and unlikely climate scenario—the identified (financial) risks to CTP are limited. Their characteristics are explained later in this section. CTP used the outcome of this assessment to analyse the climate vulnerability of Group properties and to assess physical and non-physical adaptation solutions in line with EU taxonomy requirements.

Currently, CTP only considers time horizons up to 2050. Within the Transition Plan for Climate Change Mitigation, other timelines will be taken into account.

Transition (regulatory) risks

To analyse transition (regulatory) risks related to environmental matters, CTP conducted a portfolio resilience analysis in 2023, during which the Company analysed the impacts of environmental factors on its properties. CTP accommodates a diversified portfolio of clients operating in different sectors in different countries (see Section 3.6 for more details). CTP does not expect a direct, material impact of either physical or transition climate risks for the majority of its clients.

Sustainable design

The 2022 DMA also showed sustainable design to be a material topic. The impact of sustainable design is interconnected with energy efficiency and GHG emissions: Designing more sustainable buildings helps CTP to mitigate the risks of climate change, as such buildings are more energy efficient and require less resources during construction.

4.7.1.1.3 Identification and assessment of impacts, risks, and opportunities

ESRS E1 IRO-1-20, ESRS E1-IRO-1-21

For the identification of material topics, CTP used its 2022 DMA, further information on which can be found in Section 4.4.

GHG emissions have a significant impact within CTP's value chain. Category 13 is specifically impactful, as "Downstream Leased Assets" are core for CTP's business model. Considering its construction activities, Category 1 "Purchased Goods and Services" also has a significant impact. Beyond that, CTP controls the emissions in Scopes 1 and 2, and the Company has the goal to reduce its own impact. CTP consistently examines other sources within its operations and value chain of emissions to determine the significance of its impact.

For the identification of physical climate risks, the Company used a third-party platform to analyse its portfolio. This platform uses different Representative Concentration Pathway ("RCP") models made available by the Intergovernmental Panel on Climate Change ("IPCC"), analysing items such as but not limited to flooding, extreme heat, wildfires, and water stress with a time span up to 2050.

In its analysis of the outcomes of this assessment, CTP considered the results of the least and most extreme scenarios (RCP 2.6 and RCP 8.5).

To analyse transition risk in its portfolio, CTP uses the CRREM tool and assesses the required reductions to be in line with the Science Based Targets initiative ("SBTi") by 2050. To encourage cooperation with its clients to reduce the overall GHG footprint of its parks, in 2022 CTP began implementing green lease clauses into its lease agreements for its standing portfolio.

Beyond transition events included in the CRREM tool, CTP has not identified or considered additional events.

For additional information related to CTPs value chain, please refer to Sections 2.2 and 4.5.

4.7.1.1.4 Policies

ESRS E1-2-24, ESRS E1-2-25, ESRS E1-5 MDR-P, GRI 2-24, GRI 3-3

In 2022, CTP introduced an environmental policy for its Czech business related to the ISO 14001 and ISO 50001 certifications as the first step toward developing a Group-wide policy. The Board, collectively, is ultimately responsible for integrating and complying with this policy.

The existing policy for the Czech business encompasses items such as climate change mitigation through the measurement of GHG emissions and energy management. CTP will update the policy with the development of a transition plan for climate-change mitigation.

CTP commits to reaching carbon neutrality by 2050 in line with the Paris Agreement as part of its contribution to climate change mitigation. In addition, the Company aims to align its climate targets with the SBTi.

CTP's Environmental Policy can be found on the Company's website.

4.7.1.1.5 Actions being taken by CTP

ESRS E1-3-28, ESRS E1-3-29, ESRS E1-3 MDR-A, GRI 3-3

For the actions mentioned in this Section, CTP does not distinguish CAPEX specifically for these actions, as they are considered part of normal business operations. The existing portfolio improvement CAPEX will be developed as part of the Transition Plan for Climate Change Mitigation.

Solar energy

In 2023 CTP significantly expanded its existing rooftop PV installations on its buildings to deliver renewable energy to its clients and the grid, with 62 MWp of new PV generating capacity installed during the year. CTP secured financing of EUR 200 million for this development through a 10-year unsecured loan from the European Investment Bank, which the Company will dedicate specifically to the installation of PV installations.

Renewable energy

Beyond the installation of new PV panels, CTP works to increase the ratio of renewable electric energy where it controls electricity contracts. The efforts taken in 2023 have enabled CTP to increase this ratio from 24% in 2022 to 64% in 2023. This has been done by increasing PV installations and actively seeking out contracts for renewable electricity.

With the implementation of solar and renewable energy—a critical decarbonisation lever—CTP expects to lower its carbon footprint. As actions are caried out mostly within the portfolio, they will also assist in the reduction of the carbon footprint of CTP's clients.

Construction requirements

In 2023, CTP has set up internal requirements, incorporating requirements from the EU taxonomy and the Buildings Research Establishment Environmental Assessment Method ("BREEAM"), for the development of new buildings and improvements to existing buildings. These requirements, which include, among others, energy efficiency, modern technical solutions, and promoting sustainable materials, will enable the Company to increase its alignment with the EU taxonomy and work towards its goal of a net-zero portfolio by 2050 in line with the Paris Agreement.

Green lease clauses

CTP is working to increase the green lease coverage of its standing portfolio. All newly signed agreements contain green lease clauses, and the Company amends existing contracts to contain green lease clauses where possible to speed up this process. CTP increased its green lease coverage from 19% to 37% of its total gross leasable area ("GLA") in 2023. Among other goals, this will assist the Company in increasing insight into Scope 3 emissions. This will result in better calculations of reduction targets to be set towards the future as well as giving a better basis for the Transition Plan for Climate Change Mitigation.

First calculations of embodied carbon emissions

To gain greater insight into the embodied emissions within its portfolio, in 2022 and 2023, CTP commissioned 61 LCAs across seven of the countries where it operates. Based on the data obtained from these LCAs, CTP was able to calculate a baseline for its embodied carbon emissions. This baseline can be found in Section 7.3.1.2 of this Report.

In addition to calculating total CO_2 emissions, the analysis allowed CTP to identify the most carbon-intense building components, which allows the Company to engage with suppliers to speed up the introduction of low-carbon building materials and reduce its embodied carbon footprint. The Group plans in coming years to conduct more life-cycle analyses and to introduce tools that will allow the monitoring of its embodied carbon footprint during the construction process.

Certification

CTP certifies its standing portfolio according to the Buildings Research Establishment Environmental Assessment Method ("BREEAM"). As client expectations for the sustainable design of newly built facilities are increasing, CTP builds all newly developed projects to the BREEAM New Construction level "Very Good" or higher (except in Germany, where the DGNB rating system is used) to satisfy these expectations and to ensure that its buildings receive a high-level energy performance certificate, with regular upgrades to ensure energy efficiency.

Other activities

To ensure CTP offers spaces that are modern and energy efficient, the Company optimises and introduces improvements to its existing portfolio, including adjustments to heating, cooling and lighting operation schedules and temperature set-up points for building systems as well as equipment improvements. One major example is the Company's ongoing portfolio-wide replacement of fluorescent lighting with LED lighting.

4.7.1.1.6 CTP's targets

ESRS E1-4-32, ESRS E1-4 MDR-T, GRI 3-3

CTP has set and communicated its short-term ESG-related targets for 2026. CTP's long-term target is to achieve carbon neutrality by 2050 in line with the Paris Agreement. Mid-term goals will be developed together with the Company's climate transition plan. CTP aims to align its climate targets with the SBTi as a framework toward achieving its mid- and long-term climate targets.

The energy and emissions targets are intensity based. Changes and growth in CTP's portfolio would make absolute targets unreliable and unattainable. Intensity targets enable the Company to continue growing and drive the development of buildings with lower intensities. This dynamic and the interconnectedness of CTP's actions complicate the calculation of their results.

The targets described in this section are also part of the tables in Section 4.7.1 of this Report. Decarbonisation levers are also described in this section.

CTP sees achieving the current targets is possible by using existing technologies.

GHG emissions

ESRS E1-4-33, ESRS E1-4-34, GRI 305-1 GRI 305-2 GRI 305-3

Operational carbon footprint

Targets set by CTP relating to operational GHG emissions are critical for the Company to achieve carbon neutrality in 2050, as is mentioned in this Section of this Report. The pathway to achieve carbon neutrality is intended to be in line with the SBTi. The Company's continuous development and growth requires constant adaptation of its targets. Currently, set targets are not yet in line with the SBTi. As part of the development of the future Transition Plan for Climate Change Mitigation, CTP will develop GHG reduction targets divided into the three Scopes. Based on the baseline described in Section 4.7.1 of this Report, by 2026 CTP's operational carbon intensity should average a market-based 22.42 $kgCO_2e/sqm$.

CTP has included its market-based emission intensities in the table at the beginning of chapter 4.7.1 This change has been made to reflect the effect of investments in purchasing renewable energy through specific contracts. 2022 shows an intensity of 28.03 $kgCO_2e/sqm$ compared to 25.47 in 2023, a 9.1% reduction.

When looking at the location-based emissions, CTP has seen an increase in intensity. Specifically, when comparing the Like-for-Like numbers of 2022 and 2023, there is an 11.8% increase in location-based emissions from 33.12 $kgCO_2e/sqm$. This increase is driven by increased client energy consumption and an increase in the emission factors in most countries.

The increase of renewable energy, as explained in Section 4.7.1.1.5, either purchased by CTP or produced by the Company's PV installations, are a critical decarbonisation lever for the reduction of the operational carbon footprint.

Embodied carbon footprint

Though not material following the 2022 DMA, by 2026 CTP targets to have reduced its embodied carbon footprint intensity by 10% compared to the baseline set in 2023, which was communicated in the 2022 Annual Report and Sustainability Report. This is a necessary component for the Company to achieve carbon neutrality by 2050, including its value chain. Based on the baseline described in Section 7.3.1.2 of this Report, by 2026 CTP's embodied carbon for new buildings should average 428 $kgCO_2e$/sqm.

Renewable energy

By 2026, CTP targets to have an installed PV generating capacity of 400MWp. PV systems will help the Company achieve its goal of reaching carbon neutrality by increasing the amount of renewable energy in its portfolio energy mix. An installed PV capacity of 400MWp by 2026 could lead to a reduction of up to 146 $ktCO_2$ per year for CTP (based on the average emission factor for countries where CTP operates).

Additionally, CTP targets to increase the share of renewable electric energy in the electricity mix that it controls to 80%. This target covers CTP's corporate consumption, the consumption at its parks, and the part of the portfolio where the Group has control over the electricity contracts.

Both the actions related to the increase of PV installations as well as the increase of renewable energy within the portfolio should lead to achieving these targets.

Green leases

By 2026, CTP targets to have 50% of its GLA covered with green leases. The achievement of this target supports the achievement of other Company targets, including reducing its operational carbon footprint and increasing renewable energy consumption. See Section 4.7.1.1.5 for more details on CTP's green leases.

This green lease target is also intended to improve CTP's carbon footprint and is therefore a critical lever for the Company.

EU taxonomy alignment

Following the implementation of the EU taxonomy regulation and its required disclosure, CTP decided to use the EU taxonomy as one of the cornerstones to enhance its sustainability efforts. By 2026, CTP targets to have 60% of its activities aligned with the EU taxonomy (turnover, CAPEX and OpEx).

Baseline values

CTP's baseline values, which are indicated at the beginning of Section 4.7.1, are based on the first year of large-scale data collection within the Company. Therefore, anomalies, such as the influence of weather, have not been calculated into the base year. In addition, CTP's portfolio is in constant growth and client operations might change.

4.7.1.1.7 Energy

ESRS E1-5-MDR-M

To ensure comparability and to meet disclosure requirements, CTP reports all energy consumption in MWh. As stated in Section 4.2.6, for this purpose, CTP has recalculated its car and airplane fuels consumed in 2022.

CTP collects data from four sources:

1. Portfolio buildings: These are the buildings owned by CTP.
2. CTParks: This relates to the areas CTP has under its control, such as public lighting or the irrigation of green areas.
3. Corporate offices: Offices used for CTP activities.
4. Corporate cars and airplanes: Cars and airplanes owned and used by CTP for business purposes.

As stated in Section 4.7.1.1.8, all CTP activities are considered High Climate Impact Sector.

For the first three categories, CTP uses meter readings, provider invoices, information provided by clients, or landlord reports as a source for its energy consumption data. The onboard computers are used as a source for Company vehicles, whereas for its airplanes, CTP uses the logbook data.

Data is collected from the individual source level, i.e., the specific car or building. CTP then consolidates the data for each category, after which it consolidates the data to the corporate level. As there are no joint ventures or similar structures, the data is only reported consolidated to CTP N.V.

As stated in Section 4.2.1, CTP includes all the buildings in its portfolio as within the boundaries of coverage. The data coverage is as follows:

- Corporate offices: 85% of corporate offices;
- Company cars: 100%;
- Company airplanes: 100%;
- CTParks: 100%;
- Portfolio buildings:
    - Landlord-controlled: 100% of landlord-controlled gross building floor area;
    - Client-controlled: 75% of client-controlled gross building floor area data was reported, and 65% of the data was complete

These percentages also apply to the data coverage for GHG emissions. CTP has seen an increase in the data reported when comparing 2023 and 2022 due to increased data availability and portfolio growth. Specifically, the German portfolio has seen a substantial rise in data coverage, which includes buildings with high energy consumption.

For more information on the metrics, please refer to Section 7.3.1.1 of this Report. As indicated in Section 4.2.1, energy-related metrics have been assured by an independant third party.

4.7.1.1.8 Greenhouse gasses

ESRS E1-6-MDR-M, ESRS E1-6-47

CTP operates in the real estate sector, which is not subject to the EU Emission Trading Scheme[1] ("ETS").

CTP's activities fall under construction and real estate activities under the NACE Revision 2[2]. Both activities are considered a High Climate Impact Sector. This requires CTP to report all GHG emissions from all its activities.

CTP classifies GHG emissions following the GHG Protocol[3], which are the emissions resulting from:

- corporate operations, Scopes 1 and 2;
- refrigerant losses, Scope 1; and
- Upstream and Downstream emissions, Scope 3.

In Scope 3, CTP reports on the following categories:

- Category 1: Purchased goods and services—these are the emissions embodied in its buildings. CTP chose Category 1 as it purchases goods and services required for the development of buildings;
- Category 6: Business travel—this is all travel not done by Company car or airplane;
- Category 13: Downstream leased assets—these are the leased buildings or areas in leased buildings.

CTP considers the remaining categories as not relevant due to the expected size of emissions. For some categories, CTP has no activities that are connected. For the remaining categories, the Company considers its impact to be limited compared to the reported categories.

1 Directive 2003/87/EC, annex I
2 Commission Delegated Regulation (EU) 2022/1288
3 Link to GHG https://ghgprotocol.org/

Energy data, as mentioned in Section 7.3.1.1, in combination with relevant emission factors, form the basis of GHG emissions calculations. For emission factors, CTP uses the following sources:

- for fuels, CTP uses the UK Government GHG Conversion Factors for Company Reporting by the UK's Department for Environment, Food, and Rural Affairs (DEFRA);
- for electricity, it uses "2023_02_emissions_factors_sources_for_2022_electricity_v10" published by carbonfootprint.com;
- for district heating, local sources are used.

For more information on the metrics, please refer to Section 7.3.1.2 of this Report where the Company reports in CO_2 equivalents. As indicated in Section 4.2.1, the emissions-related metrics have been assured by an independant third party. For data coverage, please refer to Section 4.7.1.1.7.

4.7.1.1.9 Emissions removals & internal carbon pricing

ESRS E1-7, ESRS E1-8

CTP is focused on actively reducing GHG emissions and has therefore decided not to engage in GHG emission removal. Similarly, CTP has not adopted internal carbon pricing.

4.7.1.1.10 Financial effects

GRI 201-2

In 2022, as a part of overall risk management, CTP conducted its first physical climate risk assessment to evaluate the exposure of its properties to acute and chronic climate-related risks using a third-party climate modelling tool. Assessment was expanded in 2023 covering properties acquired and developed in 2023.

In this assessment, the Company used different RCP models made available by the IPCC, considering items such as but not limited to coastal flooding, extreme heat, and water stress.

ESRS E1-9-66, GRI 201-2

The climate-related risks identified as potentially the most impactful to CTP are coastal flooding and rising sea levels. These risks have been analysed as short-, mid-, and long-term. Even the least severe models (SSP2 (medium challenges to mitigation and adaptation)) show sea levels will increase to such an extent that, in the long term, the Company's Dutch portfolio could be below sea level. This is also the case for a limited number of assets on the German Wadden Sea coast. However, as the Dutch and German governments are taking measures to mitigate these risks, CTP considers these risks as policy risks, thereby making this a transition climate risk. As a result of its analysis, CTP concludes that five of its properties[1] are at risk of climate-related physical risks; at most, this represents 0.9% of the value of the portfolio.

1 Properties located in NUTS Code areas NL3, DE8, and DE9

ESRS E1-9-67, GRI 201-2

As part of the above-mentioned climate risk assessment, transition climate risks were also studied. The Company used the CRREM tool to assess which buildings might require additional investment to raise energy efficiency to meet expected regulatory requirements.

However, as CTP buildings support a wide variety of uses, even within a CRREM category, the Company considers there are limits to the applicability on its portfolio. Client energy consumption is included in the analysis, and consumption can vary widely depending on the client's industry. As an example, the size of the cold storage area within a warehouse is not considered as an input although it has great influence on the building's energy consumption and therefore on the outcome of the assessment. With the EU's Energy Performance Buildings Directive ("EPBD") upcoming, CTP considers other aspects, such as the Energy Performance Certificate ("EPC") to be better indicators of the energy efficiency of its buildings.

CRREM was used as a testing and indication tool, with the deeper investigation for transition climate risks relating to EPCs. Over time, as local building codes introduce stricter requirements to achieve specific levels of EPCs, CTP continuously upgrades its portfolio to ensure that it retains its high energy classifications. Construction of new buildings follows up-to-date requirements and CTP's internal ESG requirements, which in many cases go beyond code requirements.

CTP carried out an analysis of its clients, which confirms that none of its clients operate in the coal, oil, or gas-related sectors.

ESRS E1-9-68, GRI 201-2

CTP will calculate expected costs related to material physical and transition climate risks. This will include cumulative upgrade costs for transition risk and amortisation of the loss in property value for physical risks.

ESRS E1-9-69, GRI 201-2

In recent years, Europe has experienced volatility in energy prices. As a result, CTP's clients have become more aware of the cost of energy in the short and long term. Although energy prices stabilised toward the end of 2023, there is a visible increase in client demand for energy from renewable sources, which creates a business opportunity for CTP. CTP expects its energy business, which provides renewable energy generated onsite at its parks to clients, as well as other energy-efficiency measures that the Company takes, to attract more companies that consider total cost of occupancy as a main driver.

ESRS E1-9 MDR-M

CTP is a dynamic company with continuous growth through construction and acquisitions. The consistent arrival of new clients and ongoing changes to their operations affect the consumption of utilities within the portfolio. This makes the creation of metrics difficult and requires more detailed analysis.

4.7.1.2 Water

GRI 303-1, 303-2

Although the results of CTP's DMA show that its interaction with water is limited and not material, the Company prioritises a responsible approach toward water management as part of its broader business strategy, taking into consideration, among others, the alignment criteria being introduced by the EU taxonomy in this area and the potential negative impact of climate change on the availability of potable water in Europe.

The Group considers its interaction with water from two perspectives:

1. consumption of drinking water; and
2. support for the natural water cycle.

The consumption of drinking water that CTP is responsible for mostly applies to the Group's corporate activities and its amount is limited.

In its portfolio CTP makes efforts to influence the reduction of water consumption by clients. For operating buildings, new developments and refurbishments, CTP uses the most water-efficient fixtures as standard in line with the EU taxonomy and installs state-of-the-art grey water and rainwater systems where feasible. In addition to providing efficient technical solutions, CTP encourages clients to reduce water consumption through green lease clauses.

In the collection of water-related figures for the portfolio, CTP does not distinguish between the usage. This results in the potential inclusion of water used by clients, i.e., water used for production activities, in the figures.

CTP's support for the natural water cycle includes biodiverse landscaping at its parks that limit paving and help to retain groundwater, as well as the installation of rainwater and grey water systems where feasible. As CTP's assets are land-intensive, these measures help to mitigate the Company's negative impact on climate-related water risks, such as water stress.

CTP reviews its portfolio for buildings in high water stress areas. This review indicates that around 17% of the buildings are located in such areas as defined by the Aqueduct Water Risk Atlas.

More detailed information can be found in Section 7.3.1.2 of this Report.

4.7.1.3 Resource use, circular economy, and waste management

GRI 306-1, 306-2

Although the results of CTP's DMA show waste is not material, the Company prioritises a responsible approach toward waste management as part of its broader business strategy, taking into consideration, among others, the alignment criteria being introduced by the EU taxonomy in this area.

Waste management is a significant part of the circular economy, and CTP takes steps to manage waste properly, as described below.

Waste management

CTP, in its business activities, approaches the topic of waste management in three dimensions:

- construction waste;
- corporate; and
- clients.

To ensure proper management of waste at the construction stage, CTP introduced requirements for new developments and refurbishments, which cover both BREEAM New Construction and EU taxonomy criteria.

Corporate offices generate a small amount of municipal waste. To ensure that waste leaving CTP's offices can be recycled, the Company uses selective waste collection in line with local waste management systems.

At the Company's buildings, clients are usually responsible for and control their own waste management. CTP designs its parks in such a way that clients have sufficient space to introduce and maintain a system that allows separate waste collection. For more information, please refer to Section 7.3.3 of this Report. Energy-related metrics have been assured by an independant third party.

4.7.2 Embedding Parks in Communities

Despite the results of the 2022 DMA, where no material topics that would fall under this pillar were identified, as part of its business strategy CTP values positive engagement with the communities where it operates. Among its benefits, cooperation with local municipalities helps facilitate long-term sustainable growth possibilities for CTP and its clients. As a part of its owner-operator business strategy since its inception, CTP strives to be a good corporate neighbour through various ongoing initiatives, including investments in public infrastructure, collaboration with local universities and schools, and support for local charities. In recent years, the Company has made significant investments to develop and operate community space at its parks, most notably its multi-use Clubhaus community centres at select park locations. see Section 4.7.2.1.

EMBEDDING PARKS TARGETS

Category	Baseline YE 2022	Performance 2023	Targets YE 2026
Community-engaging activities	Starting point	30	20 annually
Top 50 CTParks verified whether feasible for access by public transport	Starting point	71%	100%
City locations are connected via bike lanes	Starting point	30%	80%
Parks offering EV charging facilities (above 100,000 sqm GLA)	Starting point	50%	100%

CLUBHAUS CONCEPT

CTP developed the Clubhaus concept at its first park, CTPark Humpolec, in 1999 as part of the Company's HQ at the time, setting the groundwork for later roll-out. In 2018, CTP built its first stand-alone service centre—renamed Clubhaus in 2020—at CTPark Bor to provide a central hub for this large park on the Czech-German border. The Clubhaus at CTPark Bor includes meeting spaces, a restaurant, cafe, doctor's office, and shared offices. It is nicely landscaped and adjacent to an exercise area and sports fields. CTP holds events at the Clubhaus and meets both clients and the surrounding community for discussions and training sessions.

4.7.2.1 Providing community space

GRI 413-1, EPRA COMTY-ENG

The most significant way to embed parks in communities is by creating space for the community and to organise activities. In 2023, CTP organised activities at its parks in 7 out of the 10 countries in which it operated.

One of CTP's main efforts in this area is its community Clubhaus concept, which functions as the focal point of a CTPark, fostering deeper community relations. Each Clubhaus is a distinct, modern multi-functional centre that offers space to the park community for meetings, educational activities, and social gatherings. Depending on location, they include restaurants, cafés, minimarkets, and medical facilities. The buildings are surrounded by natural landscaping and are adjacent to outdoor sports facilities, making them a focal point for the park and for the surrounding community. First developed as a stand-alone facility at CTPark Bor in the Czech Republic, CTP formalised the Clubhaus brand in 2020. In Q4 2023 CTP opened a Clubhaus location at CTPark Ostrava in the Czech Republic and launched construction of its sixth Clubhaus at CTPark Warsaw West, its first in Poland, scheduled to open by end-2024. As at end-2023, the CTPark Network includes five Clubhaus locations, including at CTPark Budapest West and at CTPark Bucharest West, which received BREEAM "Outstanding" certification in 2022. CTP plans to open more Clubhaus locations throughout the CTPark network based on park size and client interest.

CTP conducts Environmental Impact Assessments ("EIAs") where they are required. Similarly, these EIAs are public where required by local law.

AFFORDABLE HOUSING

At Ponāvka, CTP's mixed-use development in Brno, the Company has developed three residential "Domeq" buildings with a total of 311 rooms for students and young professionals. At CTPark Bor, CTP has developed affordable housing totalling 800 beds for seasonal workers and is currently working on a similar project near CTPark Bucharest West.

4.7.2.2 Accessibility and clean mobility

GRI 203-1

The accessibility of CTP's parks is paramount to its business, particularly as its main asset class is logistics hubs that support longer-distance transportation. The Company develops its parks in strategic locations with an available local workforce that positively impact transportation flows—both longer-distance transport and short-distance commuting, thereby indirectly reducing emissions related to this transportation.

CTP works actively with local and regional governmental agencies to create bus lines with access to its parks and other related infrastructure where feasible. One example is Brno, in the Czech Republic, where CTP operates bus lines to enable client employees to access its parks without using personal cars.

CTP has also started installing electric vehicle ("EV") chargers at different parks. By 2026, all the Company's parks above 100,000 sqm of GLA would have access to EV charging facilities. As of 2023, 50% of the Group's parks have charging facilities installed.

CTP values the bicycle as a mode of transport and invests in two areas to promote bicycling to work: parking facilities for bikes and bike lines. At at the end of 2023, 30% of CTP's parks are connected to nearby cities and town by public bike lanes. By 2026, CTP's goal is to increase this to 80% .

BIKE INFRASTRUCTURE

CTP develops parks so that they are accessible and safe for bikers and pedestrians, developing bike paths off the main roads to provide employees and surrounding communities with both safe passage to work and an exercise track. In addition, CTP installs bike racks and electric charging stations for bikes (and cars) to support clean transportation options for workers.

4.7.2.3 Green spaces and biodiversity

As part of its long-term business strategy, CTP considers green spaces and nature-based solutions to be a complementary component of its parks. CTP's biodiversity projects focus on local solutions (e.g., native trees and shrubbery, insect hotels, apiaries), as the Company considers that needs are best understood and addressed at the park level. At around 40% of its parks, CTP has taken actions to promote biodiversity.

Beyond these ongoing actions, in 2019 CTP invested into around 560 hectares of partially degraded forests near Zlín and Mladá Boleslav in the Czech Republic. Over the last few years, CTP has been working to restore these forests and to expand biodiversity, in part through the planting of different kinds of native saplings.

GREEN ENVIRONMENTS

All CTParks are designed with relaxing landscaping to create a pleasant work environment, improving both health and efficiency. Outside our parks, CTP owns 560 hectares of forest in the Czech Republic, where its employees planted a variety of 130,000 trees, improving the biodiversity of the area in addition to cleaning out garbage in both CTP's forest and areas surrounding our parks. CTP maintains the health of its green areas by ensuring a wide array of biodiversity, including insect hotels and beehives at its parks.

4.7.3 Stimulating Social Impact & Well-being

As confirmed by the 2022 DMA, CTP's impact goes far beyond the parks and buildings that it creates. For more information on the results of the DMA, please refer to Section 4.7.3.2.

CTP is a people-focussed business, with over 730 of its own employees, over 1,000 clients, and over 75,000 people working at the Company's properties. Both within the Company and in the communities where it operates, CTP, in collaboration with clients, local municipalities and NGOs, introduces and/or supports activities that promote well-being. The Company has a long and significant track record of social engagement and giving back to local communities with a wide range of support, including charity donations targeting disadvantaged youth and other vulnerable members of society and support for education, and job retraining programs.

CTP'S TARGETS FOR STIMULATING SOCIAL IMPACT & WELL-BEING

Category	Outcome 2023	Targets 2026
Framework for employee satisfaction monitoring in place	Not in place	In place
Framework for client satisfaction monitoring in place	Partially in place *	In place

* satisfaction monitoring in place in selected parks

COMMUNITY COLLABORATION

To encourage young entrepreneurs and educate them about various professions, CTP collaborates with local schools and universities, for example the Brno University of Technology, and hosts field trips for students to our clients' facilities.

COMMUNITY EVENTS

4.7.3.1 Interests and views of own employees

ESRS S1 SBM-2-12

CTP's employees are fundamental to the Company's operations and are a vital stakeholder group.

CTP employees are encouraged to share their ideas to improve the Company as a whole. To ensure that their input and ideas reach the people at the highest levels of the Company, CTP introduced the "CTInnovations " initiative. This initiative is backed by a dedicated email address, which functions as a modern version of a suggestion box. The philosophy behind the idea is: There is always room for improvement across each facet of the Company's operations.

CTP reviews and evaluates the input received on a monthly basis. The ideas with a tangible benefit for the Group are implemented and the proponent awarded for their input.

CTP recognises the importance of respecting and upholding human rights within its operations, particularly as they pertain to its own workforce. Commitments are rooted in words and in actions that align with global standards, such as the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises.

CTP also has its grievance channels in place, which are mentioned in Section 4.7.3.4 of this Report. The purpose for these channels is to give stakeholders a chance to share grievances with the Company.

4.7.3.2 Material impact, risks and opportunities, and their interaction with strategy and business model

ESRS S1 SBM-3-13

Following the 2022 DMA, three material topics related to CTP's own workforce have been identified: 1) health and safety; 2) employee recruitment and development; and 3) diversity, equity, and inclusion.

ESRS S1 SBM-3-14, ESRS S1 SBM-3-15

CTP has identified risks related to health and safety across its own business, including those from third parties who directly report to CTP employees. These risks are especially important during construction, as mismanaged safety aspects could result in an increased risk of injuries on construction sites. This risk is commonly addressed across the construction industry and therefore applies to CTP's supply chain. Although management of the downstream value chain (clients' operations) is beyond CTP's control and responsibility, many of CTP's clients address health and safety as a material topic and is therefore typically well managed by them.

CTP considers employee recruitment and development as a risk and an opportunity. Proper career development schemes, engagement, and employee satisfaction management create opportunities to attract and retain talent. Lack of proper management of these topics can create a risk of filling vacancies.

As mentioned in Section Sections 3.2 and 4.7.1.1.5, CTP is developing activities related to renewable energy. The growth of this business line within the Company creates employment opportunities for new candidates and offers a development path for existing staff.

CTP adheres to all applicable health, safety, and labour laws. CTP has not identified any parts of its own operations or geographies in which it operates that could be at risk of child, forced, or compulsory labour.

ESRS S1 SBM-3-16

Energy business-related opportunities as well as employee recruitment and development risks and opportunities apply to all CTP employees, independent of position, age, or gender. More details about employee demographics can be found in Appendix 7.4. Health and safety aspects apply mostly to employees working in construction sites.

4.7.3.3 Policies related to CTP's workforce

ESRS S1-1-19, ESRS S1-1 MDR-P, GRI 3-3, 403-1

Currently, CTP policies partially cover the material topics "health and safety" and "diversity, equity, and inclusion".

Health and safety is covered by CTP's Code of Conduct. This code sets out the expected behaviour of CTP's Executive Directors and Company staff. Working relationships and workplace safety are among the specific topics mentioned in the Code of Conduct. CTP's Executive Directors are accountable for implementation of the code. CTP's Code of Conduct has been established in accordance with the Dutch Corporate Governance Code and references multiple conventions as applicable.

CTP's Code of Conduct is available on the Company's website.

CTP's Diversity and Inclusion Policy, which can be found on the Company's website, covers diversity and inclusion within the Company. This policy sets out the rules for diversity and inclusion regarding the composition of the Board and Senior Management, policy implementation, and annual reporting on its implementation during the year. CTP's Non-Executive Directors are accountable for the implementation of the policy.

CTP also has an Anti-Discrimination and Harassment Policy, information on which can be found below. The Non-Executive Directors are accountable for the implementation of the policy.

ESRS S1-1-20, ESRS S1-1-21, ESRS S1-1-22

CTP's Group Code of Conduct is related to conventions such as OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ILO core conventions, and the International Bill of Human Rights. The Code of Conduct explicitly prohibits human trafficking, forced labour and child labour. CTP's Code of Conduct describes the process in detail and is available on the Company's website.

ESRS S1-1-23

CTP has no Group policy or management system on workplace accidents. Employees are trained based on local regulations.

ESRS S1-1-24

CTP has an Anti-Discrimination and Harassment Policy. This policy defines discrimination as "such behaviour (action) including negligence when one person is treated less favourably than another person is treated, was treated, or would be treated in a comparable situation." This may be for various reasons, including but not limited to race, nationality, age, gender, and sexual orientation. CTP has a grievance mechanism described in Section 4.7.3.4. The policy explains the procedures to prevent, mitigate, and address discrimination, as well as the actions taken once instances of discrimination are detected.

CTP's Anti-Discrimination and Harassment Policy is available on the Company's website.

4.7.3.4 Employee engagement

ESRS S1-2-27, ESRS S1-2-28, ESRS S1-2-29

As of the publication of this Report, CTP does not have a formal, Group-wide process or Global Framework Agreement in place to engage with its workforce about negative impacts. Engagement takes place on an ad hoc basis as part of manager-employee meetings. Due to CTP's flat organisational structure, information flows faster and more freely based on the needs and requirements up and down the organisation.

By 2026, CTP aims to have a systemised approach towards measuring engagement in place. This target can also be found Section 4.7.3. As of this Report, CTP has not identified a group of people in its workforce that is particularly vulnerable.

As CTP has no plans to discontinue any of its business activities that would impact its employees, engagement with employees on this topic is not required.

In Section 4.7.3.1 of this Report, reference is made to the "CTInnovations " initiative which is managed by members of the Czech management team. Though the initiative is more directed towards business operations, CTP is proud of engaging with its employees in this manner.

4.7.3.5 Remediation of negative impacts and channels to raise concerns

ESRS S1-3-32, GRI-2-26

CTP offers its employees multiple, layered channels that enable them to raise their concerns about negative impacts. These include:

- the appropriate supervisor;
- a designated company contact;
- the Group AML & Compliance Officer (compliance@ctp.eu); or
- an anonymous grievance channel.

Both the reporter and the receiver of the report must follow the procedures set out in the Group Grievance Investigation Procedure and the Group Anti-Discrimination and Harassment Policy.

At CTP, the tracking and monitoring of issues raised through the Company's grievance channels are meticulously managed using the FaceUp website application, which provides real-time oversight and detailed reporting capabilities. This system, overseen by the Group AML & Compliance Officer, ensures that all concerns are promptly addressed and allows for the active involvement of stakeholders in verifying the effectiveness of the grievance mechanisms. Furthermore, to ensure continuous improvement and accountability, a comprehensive report on the handling and resolution of these issues is regularly presented to the Audit Committee/Board, demonstrating the Company's commitment to transparency and effective issue resolution.

The grievance channel can be used for all non-compliance concerns, including ESG matters.

Currently, CTP assess the effectiveness of remediation of negative impacts on case-by-case basis.

ESRS S1-3-33

The grievance channel is managed by an external provider to ensure anonymity. Non-retaliation is ensured in CTP's Whistleblower Policy. The mechanisms CTP uses to ensure familiarity with these channels are described in Section 4.7.4 on policies and corporate culture.

4.7.3.6 Actions and resources

ESRS S1-4-37, ESRS S1-4 MDR-A, ESRS S1-4-38, ESRS S1-4-39, ESRS S1-4-40, ESRS S1-4-41, ESRS S1-4-43, GRI 2-30, 401-1, 404-1, 404-2, GRI 3-3, GRI 403-1

All of CTP employees are covered in health and safety as required by local law. Workplace safety is secured through risk identification and staff training where needed. As part of its allocated resources, CTP provides training internally and externally to its employees to create awareness and mitigate the risks involved.

Depending on location, Company-supported employee benefits include health-club membership cards, private medical services, sports classes, group participation events, and Company gatherings. These are decided locally, and their specifics may change over time.

Metrics used for tracking this topic can be found in Section **4.7.3.18.**

CTP makes ongoing investments in its professionals to provide them with opportunities to develop professional and personal skills. The Group provides support for its people to pursue MBAs and other professional qualifications (e.g., RICS, CFA) and also provides in-house trainings and external seminars and conferences.

CTP evaluates employee performance quarterly or annually, and KPIs are reviewed with managers during feedback sessions.

To train the next generation of managers and educate its talent pool, CTP holds regular management events, where Senior Management gather to exchange views on the markets and best practices and to learn from both internal and external guests. Other opportunities for knowledge-sharing within the Company include regular CFO meetings and Construction Directors' meetings, among others.

Metrics for tracking this topic can be found in Section **4.7.3.17.**

Labour and human rights are addressed through multiple activities, starting with developing and maintaining Company practices. These range from regular open conversations with employees to the management of grievance channels to ensure that potential breaches are analysed and resolved.

Potential impacts on CTPs own workforce have become part of the risk management, described in Section 4.2.2 of this report. The results shows that risks to its own workforce are negligible.

Financial resources allocated to employee training and development are considered business as usual both in 2023 and in the future.

To ensure CTPs operations do not contribute to material negative impacts, the Company sets goals addressing the opinions of its employees. Moreover, CTP has taken no actions to counterbalance potential negative impacts due to its pathway towards a greener, climate-neutral economy as it sees that there will be more job creation within the Company than loss of jobs. Current actions are planned and executed on a case-by-case basis.

4.7.3.7 Targets

ESRS S1-5-44, ESRS S1-5-46, ESRS S1-5 MDR-T, ESRS S1-5-47, GRI 3-3, 403-1

CTP considers gender equality to have a positive impact on the Company and has set continuous targets to achieve this.

Below Board level, CTP aims to have each gender represented by at least 45% of the total number of employees, i.e., at least 45% women and at least 45% men.

For the Board, the Group has enhanced its Diversity and Inclusion Policy dated 8 November 2022, available on CTP's website.

These above-mentioned targets are recurrent on an annual basis.

By the end of 2024, CTP will enhance the performance management of all its employees through the introduction of a Group-wide system.

By 2026, CTP will implement a framework to monitor employee satisfaction and engagement, which will be used to establish more specific workforce-related targets.

Stakeholders' views and opinions shaped the results of the 2022 DMA. They are considered for the weight each material topic has in the results. These results shape the priorities and therefore indirectly the targets. These priorities are explained to the relevant teams and were used to develop the targets. These targets are verified at the Group level.

CTPs targets are monitored through the reporting process once a year to be reported in the Annual Report and adjustments are made accordingly.

4.7.3.8 Our People

ESRS S1-6-48, ESRS S1-6 MDR-M

The Company employs permanent and temporary employees (full-time as well as part-time workers). CTP also cooperates with contractors to support its business operations. CTP employees consist mostly of business development/sales professionals, construction project managers, construction engineers, property management experts, lawyers, and accountants.

Over the last years, CTP has experienced significant growth in the number of buildings it operates and in its revenue. With this growth, CTP has experienced a significant increase in the number or people it employs. From 553 FTE (full-time equivalent) employees in 2021 to 667 FTEs in 2022 and 732 FTEs at year-end 2023. At year-end 2023, the headcount stood at 746. In 2023 CTP hired 313 new colleagues, a year-on-year increase of 8.1%. CTP continues to work hard on the roll-out of many different HR-related services. CTPs turnover rate in 2023 was 33%.

The reported data was collected through the CTP's newly introduced HR system.

For more information on employee metrics, including diversity, please refer to Section 7.4.1 of this Report. For a representative number in the Financial Statements, please refer to Note 12 in the Financial Statements.

The metric related to CTP employees are principally related to gender diversity, i.e., the percentage of men and women represented within the Company. As the data reported is based on year-end data, and CTP implemented dedicated software, CTP assumes data entry was done accurately. Diversity figures are not externally validated.

4.7.3.9 CTP's culture

CTP has a unique entrepreneurial culture. Its flat management structure allows the Group to make decisions quickly, take calculated risks, and be at the vanguard among its peers in bringing in new innovations. This gives the Company a clear edge over many industry players. Company culture is also reflected in CTP's "Full Speed" motto.

The Group employs ambitious professionals who are continuously looking for new opportunities, new locations, new innovations, and new markets to better serve the Company's clients. Their responsiveness—to market trends, new technologies, and the needs of the Group's clients, which often change during the tenancy—has made CTP the market leader it is today.

CTP's employees have a real "can-do" mentality and a "hands-on" approach. They are competitive and creative and have a clear sense of commitment to delivering the best possible product for clients. It is their nature to operate from a long-term partner perspective for CTP's clients and the communities that the Company serves and where it operates. This is also reflected in the Group's commitment to sustainability, with sustainability being an integral part of all Company processes. CTP's construction teams build energy-efficient buildings to minimise resource usage and reduce the size of the Company's environmental footprint. They go the extra mile to ensure that the Group's properties are not only business-smart but also people-friendly.

CTP empowers its local teams, with local management having a great level of independence. The Group's international corporate team is there to support the country teams, share best practices and implement common processes. This allows CTP to provide a true international work environment. In total, the Group's employees represent 24 different nationalities.

4.7.3.10 CTP's values

CTP's values drive its success, as the implementation of the Company's business model demands excellence at each step of the process, allowing the Group to deliver on its promises.

Recruitment is focused on selecting professionals who fit CTP's culture and whose values align with the Company's to ensure that teams are working towards common goals.

The Group has five deeply rooted values, which inspire its teams to do what they do best: develop sustainable, innovative, and high-quality industrial and logistics buildings. As a long-term owner, CTP's responsibility towards its partners, clients, communities, employees, and other stakeholders is preserved by its values.

COMMITMENT

We are committed to building buildings that are future-proof and serve the needs of our clients. This is at the heart of what we do and what we are passionate about. We go the extra mile and beyond what is expected, as we are long-term owners and develop to hold. We use high-quality materials that last, reducing maintenance, operational and energy costs to lower the overall cost of occupancy for our clients. We have a unique product range to provide our clients with sustainable solutions.












ENTREPRENEURIAL

We are an entrepreneurial company. We react quickly to both market changes and clients' needs, take calculated risks and grab opportunities to enhance our leading market position. It is our nature to be competitive, innovative, and agile, while we always strive to do things better than they have done before, which has brought us this far. We take a hands-on and boots-on-the-ground approach with local teams that have a high level of responsibility – allowing them to make decisions quickly and adapt to local market circumstances.

ACCOUNTABILITY

We are accountable towards our clients, investors, employees, and communities. We set ourselves clear goals, communicate effectively, come up with solutions and pay attention to details. As a long-term partner, we take ownership, keep all points of contact in-house and understand the strategies and needs of our stakeholders to deliver on our promises and remain their partner of choice.

SUSTAINABILITY

Sustainability underscores our long-term commitment to growth and informs all that we do today. That's why we build highly efficient buildings to reduce energy and water consumption, always to BREEAM standards, and with our entire built portfolio BREEAM In-Use certified, a first for any leading industrial developer. All our sustainability efforts are part of our larger goal to become carbon neutral.

COMMUNITY

Our parks are full of people: our people, our clients, their employees, and their families. We encourage healthy networks between all stakeholders and local communities, with the goal of improving the quality of life for all involved. We do this by investing in the surrounding communities, providing public relaxation/exercise facilities, developing relationships with local schools and universities, and creating community centres in our parks and office buildings.

4.7.3.11 Non-employee workers

ESRS S1-7-55, ESRS S1-7 MDR-M, GRI 2-8

CTP contracts non-employee workers with different skills, depending on Company needs, mostly in support roles. They work in a variety of activities within the Company, from receptionists to legal support. CTP defines non-employee workers as individual freelancers, i.e., people who send their own invoices for work done.

At the end of 2023, a total of 46 people were active as non-employee workers at CTP. Numbers are not available for previous years. There are no specific metrics related to non-employee workers that CTP measures its performance against.

4.7.3.12 Collective bargaining and social dialogue

ESRS S1-8-60, ESRS S1-8-63, ESRS S1-8 MDR-M

CTP enables the appointment of employees' representatives and their participation in social dialogue between the Company and employees in accordance with local legislation. However, CTP does not have employee representatives operating withing the Company. No collective bargaining process or collective agreement has been implemented. Therefore, no employees are covered by this process or agreement.

There are no specific metrics related to collective bargaining and social dialogue that CTP measures its performance against.

4.7.3.13 Diversity and inclusion

ESRS S1-9 MDR-M

The metric CTP measures is the percentage of men and women among the Board, Senior Management, and staff. For information on diversity across the Company, please refer to Section 7.4.1 of this Report.

4.7.3.14 Adequate wages

ESRS S1-10-69, ESRS S1-10 MDR-M

As CTP operates in a highly competitive environment, an attractive compensation package is provided to current and new employees. Wages as a part of this package are competitive and adequate to market standards. To keep wages competitive, employee compensation is reviewed annually. CTP ensures equal pay across all countries. There are circumstances when it is appropriate to pay employees differently, even if they are doing similar jobs, for example because of differences in skills or differences in performance. Where any unjustified differences are found, we make the necessary adjustments to ensure equal treatment

There are no specific metrics related to adequate wages that CTP measures its performance against.

4.7.3.15 Social protection

ESRS S1-11-74, ESRS S1-11 MDR-M

All CTP employees' social protections are covered by local regulations, including but not limited to sickness, unemployment, parental leave, and retirement. The Company offers no additional protections beyond the local legal requirements.

There are no specific metrics related to social protection that CTP measures its performance against.

4.7.3.16 Disabilities

ESRS S1-12-79, ESRS S1-12 MDR-M

CTP employs 7 people with disabilities, which represents 0.9% of all employees. These figures are based on internal data based on definitions used locally and have not been externally verified.

There are no specific metrics related to employees with disabilities that CTP measures its performance against.

4.7.3.17 Training and development

ESRS S1-13-83,GRI 3-3, 404-1, 404-2, 404-3, EPRA EMP-TRAINING, EMP-DEV, ESRS S1-13 MDR-M

CTP enabled employees to participate in a total of 12,098 hours of training, which leads to the following averages:

AVERAGE HOURS OF TRAINING RECEIVED

	Male	Female
Under 30	9.1	7.5
30-50	21.2	19.2
Over 50	10.7	6.2
Total	**18.2**	**15.6**

CTP does not have a formalised system in place for performance and career development reviews. Therefore, it is not aware of the percentage of employees who have received or participated in these reviews.

The metric CTP follows is the average hours of training received annually by its employees. No targets have been set; however, training and developing staff improve the Company'sa structure and performance in the long-term.

4.7.3.18 Keeping our people healthy and safe

ESRS S1-14-88, EPRA H&S-EMP, H&S-COMP, ESRS S1-14 MDR-M, GRI 403-3, GRI 403-6, GRI 403-7, GRI 403-8, GRI 403-9, GRI 403-10

The action CTP takes to improve health and safety can be found in Section 4.7.3.6– Actions and recourses.

No Group health and safety management systems are in place. Health and safety is managed based on local regulations, which covers all employees.

In 2023, CTP had no fatalities within its operations. 1 case of a work-related accident was recorded, leading to 23 days lost, and 0 cases of recordable work-related ill health. CTP's absentee rate is 8%[1], with the total number of lost days being 12,022. These numbers cover only current CTP employees. No additional metrics were prepared.

These figures are based on internal data based on definitions used locally and have not been externally verified.

4.7.3.19 Work-life balance

ESRS S1-15-93; GRI 401-3, ESRS S1-15 MDR-M

By law, all CTP employees have the right to take family-related leave when needed. The table below shows the percentage of employees entitled to family-related leave as defined in the ESRS disclosure requirements, and the percentage that have taken it.

WORK-LIFE BALANCE

	Male	Female
Percentage of entitled employees that took family-related leave (male & female)	28.0%	90.0%
Percentage of employees entitled to family-related leave (all)	6.4%	

There are no specific metrics related to work-life balance that CTP measures. These figures are based on internal data based on definitions used locally and have not been externally verified.

4.7.3.20 Remuneration (pay gap and total remuneration)

ESRS S1-16-97, GRI 2-21, 405-2, EPRA DIVERSITY-PAY, ESRS S1-16 MDR-M

CTP provides appropriate compensation without discrimination. For jobs at the lower end of the pay scale, the Company uses fixed salary structures. More senior positions consist of fixed and variable compensation components. This ensures people are paid fairly and equally.

Despite differences, CTP ensures that men and women are compensated equally for the same job. The pay gap calculation has been made using the equation provided by the ESRS. CTP has identified seven employee categories, considering seniority and job position. The gap is calculated for each category, after which the number of employees in each category weighs the difference. Additionally, as CTP operates in 10 countries with widely different purchase power levels, adjustments for Purchase Power Parity ("PPP") have also been made. Based on these factors, the pay gap at CTP is 4.2%[2].

1 Absentee rate includes any legal reason for absenteeism, including maternity leave"
2 The pay gap, unadjusted for PPP is 6.3%.

The table below shows the compensation ratio for the highest paid individual at CTP. The compensation calculations include base salaries, cash benefits, and LTIPs.

PAY RATIO HIGHEST PAID

Position	Times the median compensation
Highest Paid Individual	16.48

To report on the above-mentioned metric, CTP collects data from its payroll systems. This is not a metric CTP measures its performance against and is not externally verified.

4.7.3.21 Incidents, complaints, and impacts

ESRS S1-17-102, ESRS S1-17-103

Twelve work-related or non-work-related incidents of discrimination, including harassment, were reported in 2023. Thirty-three complaints in total were filed through CTP channels to raise concerns, none through the National Contact Points for OECD Multinational Enterprises. CTP incurred no fines or penalties and was not required to compensate for damages as a result of incidents or complaints.

CTPs first line of defence in remediation was the implementation of the Anti-discrimination and Harassment Policy in 2022.

Remedial actions taken in 2023 include several dismissals at CTP. Furthermore, a CTP supplier dismissed an employee based on grievences filed. The remaining grievances have been addressed through guidance provided to employees, delivering responses, or discussions with the respective employee or person in question, facilitated by the Compliance Officer.

ESRS S1-17-104

No incidents with respect to severe or other human rights breaches were identified in 2023.

ESRS S1-17 MDR-M

The metrics CTP tracks are those mentioned above. These are tracked in relation to existing legislation, and to the material topic of ethical business conduct. Unethical business conduct will lead to reputational damage and legal issues. Metrics are not externally validated.

4.7.3.22 CTP as a corporate citizen

GRI 415-1

CTP has a long-standing tradition of caring for communities. The Company supports the UN Sustainable Development Goals and promotes socially responsible behaviour in the countries where it operates, where it supports a wide range of community-based organisations and institutions including children's homes, universities, sport clubs, and NGOs focused mainly on children's and adolescents' development (e.g., training for professional skills, study grants and equipment support), social well-being, and local infrastructure development. Most support is for ongoing or long-running initiatives in areas where parks are located, as these are considered more impactful.

CTP aims to be a good neighbour in each location where it conducts business.

All activities of CTP as a corporate citizen (e.g., charitable donations, educational and infrastructure support) must follow CTP's Code of Conduct and Group Anti-Bribery and Corruption Policy. CTP staff are prohibited from making any political contributions on behalf of a CTP Group entity.

COMMUNITY EVENTS (CORPORATE CITIZEN)

During 2023, CTP organised or sponsored more than 30 events focusing on deepening community relationships, educating, promoting a healthy lifestyle, or improving the local environment.

4.7.4 Conducting Business with Integrity

4.7.4.1 General disclosures

ESRS 2 GOV-4-32

CTP takes a comprehensive approach to due diligence. This process is integral to the Company's operations and is designed to support the alignment of all aspects of the Company's business with its commitment to sustainability. One part of due diligence involves a meticulous vendor selection process. Potential suppliers are evaluated based on a set of sustainability-related criteria, including their market reputation, past collaborations, and contractual reliability. Suppliers are expected to have a robust operational history and the capability to manage projects sustainably. The selection process facilitates an understanding of how well-aligned potential suppliers are with CTP's sustainability objectives.

After supplier selection, CTP's commitment to sustainability extends to routine monitoring of its partners. This involves ensuring adherence to occupational health and safety standards and other ESG requirements. The Compliance department's role in assessing various factors, from media perception to human rights, is pivotal to ensure that CTP's partners remain in alignment with the Company's sustainability goals.

The Group AML Compliance Officer is central to the due diligence process. This officer ensures that suppliers are in compliance with Anti-Money Laundering ("AML") standards and that they adhere to the Company's core values of sustainability and ethics. The involvement of suppliers is essential to maintain integrity throughout the Company's value chain.

1. **Utilisation of external tools:** To support sustainability due diligence, CTP employs external tools and databases for solvency checks and customer identity validation, which are part of ensuring that partners are compliant with legal frameworks against money laundering or terrorist financing.
2. **Voluntary compliance checks and innovations:** CTP's proactive stance includes voluntary compliance checks and the introduction of innovations such as fraud detection analytics. These measures exemplify the Company's ongoing commitment to refine its sustainability due diligence processes.
3. **Automated tools for thorough screening:** The Company leverages the relevant technologies to facilitate thorough screening processes that assess vendor risk factors and analyse counterparty indicators. This technological integration contributes to the efficiency and comprehensiveness of the due diligence process.

Overall, CTP's sustainability due diligence processes aim to provide transparency and facilitate an understanding among all stakeholders of the Company's commitment to and practices in sustainable business operations. These processes are integral to maintaining the integrity and ethical standards that CTP upholds in its industry.

CTP Group's sustainability due diligence is a systematic process designed to ensure responsible corporate behaviour and adherence to ESG standards.

1. **Integration of sustainability in corporate policies:** The Company's commitment to sustainability is embedded within its Code of Conduct, Supplier Code of Conduct, and Anti-Bribery and Corruption Policy, ensuring a foundational adherence to sustainable practices.
2. **Vendor selection and risk assessment:** CTP employs a detailed vendor selection process that evaluates suppliers against sustainability criteria, addressing the ESRS requirement for risk identification and mitigation in the supply chain.
3. **Compliance monitoring and enforcement:** Continuous oversight of ESG requirements and partner alignment with all requirements reflects CTP's commitment to monitor and enforce sustainability practices.
4. **Transparency and whistleblowing mechanisms:** The establishment of an anonymous whistleblowing channel meets the ESRS's emphasis on transparency and provides a means for stakeholders to report non-compliance.
5. **Role of compliance officers:** The Group AML Compliance Officer's role in maintaining ethical standards and conducting due diligence aligns with the ESRS's focus on accountability and governance.
6. **Use of external resources:** Leveraging external tools for supplier vetting corresponds to the ESRS's requirement for due diligence in external validation and compliance checks.
7. **Continuous improvement and innovation:** The implementation of fraud detection analytics and the commitment to continual process refinement align with the ESRS's principle of continuous improvement in due diligence practices.
8. **Technological integration:** Utilising automated tools for comprehensive screening processes reflects the efficient and systematic approach to due diligence advocated by the ESRS.
9. **ESG requirements:** Environmental due diligence is a part of the new acquisition process.

4.7.4.2 Business conduct

The role of the administrative, management and supervisory bodies

ESRS G1 GOV-1-5

CTP's Board and Senior Management play a pivotal role in ensuring responsible business conduct, as they oversee the implementation of and adherence to all protocols and guidelines related to business ethics, compliance, and other matters. These bodies establish the strategic framework for business conduct, ensuring that it aligns with the Company's vision, mission, and long-term objectives.

Board and Senior Management member expertise stems from academic qualifications and from years of experience in overseeing ethical and compliant business operations. Regular training sessions, workshops, and seminars are organised to keep them updated on the latest trends, challenges, and best practices in business conduct. This continuous learning approach ensures that they remain equipped to guide the Company effectively.

Material impacts, and risks and opportunities

ESRS G1 IRO-1-6

Material impacts, risks, and opportunities were identified during the 2022 DMA, which is further explained in Section 4.4. This process includes all areas of operation and all business activities.

During the 2022 DMA, CTP identified ethical business conduct, board oversight, and human rights as areas of impact, risk, and opportunity.

Policies and corporate culture

ESRS G1-1-9, GRI 2-24

CTP's Group Code of Conduct provides clear guidelines for the Company's Senior Management and staff. It details the values and principles that should guide all professional interactions and decisions. CTP also boasts an Anti-Corruption and Bribery Policy and Whistleblower Policy. All policies are available on CTP's website.

At the heart of CTP's identity lies an embedded corporate culture based on five core values, which encompass sustainability, environmental protection, and ethical practices. The Board oversees the formulation of strategies and policies, such as the Group Code of Conduct, and ensures their implementation. This includes regular monitoring and assessment of results through periodic reviews and evaluations.

Open communication, continuous learning, team-building activities, and celebrating employee achievements form the bedrock of CTP's strategy to promote its corporate culture. Through these initiatives, the Company helps to ensure that its workforce is unified in its values and goals.

ESRS G1-1-10

CTP has comprehensive mechanisms in place for identifying, reporting, and investigating concerns about unlawful behaviour or behaviour contradictory to the Company's Code of Conduct. These are available to both internal and external stakeholders. Concerns can be reported anonymously through a secure reporting system, ensuring confidentiality and protection. CTP's dedicated team promptly investigates all reported concerns to ensure compliance and integrity.

The Company's policies on anti-corruption and anti-bribery are consistent with the United Nations Convention against Corruption. CTP has a zero-tolerance policy towards any form of corruption or bribery. These policies are regularly reviewed and updated to align with international standards and best practices.

CTP maintains solid safeguards to protect those who report irregularities, including whistleblowing protection. This policy ensures 1) protection of Company employees who refuse to act unethically, even if such refusal may result in a loss of business; and 2) non-retaliation against workers who have been granted whistleblower status in accordance with applicable law, and those who report any non-ethical behaviour incidents.

CTP promptly, independently, and objectively investigates any incidents related to business conduct, including corruption or bribery. Investigative processes are designed to ensure a thorough and unbiased examination of all cases.

Training on business conduct is comprehensive and targets all employees. Training is conducted annually and covers various aspects of business conduct, including ethical decision-making, compliance with laws, and reporting mechanisms. CTP continually assesses the effectiveness of training programs to ensure they meet the high standards for integrity and compliance.

The Company is firmly committed to upholding and continually improving its policies on business conduct matters. CTP strives to foster a culture of integrity, transparency, and ethical behaviour throughout the Company.

Relationships with suppliers

ESRS G1-2-14

As a general business practice, CTP has weekly payment runs for each country. Booked and approved invoices with a payment date after the week of the payment run are included. CTP does not distinguish between SMEs and other companies.

ESRS G1-2-15

CTP's approach to supplier relationships and procurement is founded on a dual focus: mitigating supply chain risks and promoting sustainability. Our comprehensive vetting process for potential suppliers extends beyond financial metrics to assess ethical practices, environmental impacts, labour rights adherence, and overall business conduct. This approach ensures alignment with our values of transparency, fairness, and ethical behaviour.

To streamline procurement and enhance communication, CTP is working on the introduction of an innovative two-way platform. This platform will facilitate open dialogue and feedback with suppliers, promoting transparency, understanding and cooperation. The Company's commitment extends to ensuring clear, equitable contracts and timely payments to suppliers, emphasising mutual benefit and trust.

The rigorous standards, especially for high-risk areas like solar panel components or engagement in the arms industry, reflect CTPs dedication to responsible and ethical procurement. The Company mandates suppliers to adhere to guidelines ensuring ethical sourcing, sustainable production processes, and fair labour practices.

Prevention and detection of corruption and bribery

ESRS G1-3-18, ESRS E1-9-67, GRI 205-1, GRI 205-3

In order to prevent and detect allegations or incidents or corruption and bribery, CTP has implemented specific grievance procedures to address problems and issues encountered in the workplace. Investigations into allegations are conducted by the Group AML Compliance Officer to ensure they are handled by a designated, neutral entity, separate from the management chain, ensuring impartiality in addressing these issues. Outcomes are systematically reported. This structured approach ensures that CTP's Senior Management and Non-Executive Directors are kept informed and can act decisively based on the findings.

ESRS G1-3-20

Policies are communicated by e-mail, through the Company's intranet, and on CTP's website. The Suppliers' Code of Conduct is also included in all Purchase Orders and in agreements where applicable.

ESRS G1-3-21, GRI 205-2

CTP's Ethics and Compliance Training is an annual one-hour training session designed to explain the ethical corporate environment, key values and internal rules and procedures of the Group covering the following CTP Group policies:

- Code of Conduct;
- Anti-Bribery and Corruption policy;
- Information Protection policy;
- Petty Cash Policy; and
- Whistleblower Policy.

All CTP employees are required to attend the annual training courses. The Non-Executive Directors receive additional and specific training by the Group AML Compliance Officer.

Incidents of corruption and bribery

ESRS G1-4-24

During the 2023 reporting period, there were no confirmed cases of corruption and/or bribery at CTP. Therefore, there were no convictions of CTP employees, nor were any fines imposed on the Company. As a result, no actions were needed to be taken.

ESRS G1-4-26

In 2023, CTP did not find any incidents involving a member of its value chain where its own employees were involved.

Political influence and lobbying activities

ESRS G1-5-29, GRI 415-1

CTP maintains a neutral stance on political contributions, which is addressed in the Anti-Bribery and Corruption Policy. Any political contribution made on the Group's behalf must be pre-approved by both the CEO or Group CFO and the AML and Compliance Officer. This ensures that the Group's engagements remain non-partisan and maintain integrity. Due to this policy, CTP has not participated in any political influence or lobbying activities.

ESRS G1-5-30

No member of the Board or Senior Management held a comparable position in public administration in the three years preceding their appointment to these bodies at CTP.

Payment practices

ESRS G1-6-33

CTP strives to pay its suppliers on time. In AR 2024, CTP will disclose average days to pay received invoices as a system adjustment is required to obtain the calculations for the entire year.

Currently, there are no proceedings outstanding for late payments.

Standard payment terms for suppliers are 30 days. This enables the Company to process and approve these invoices, place them on the payment proposal list for final approval, and ensure their timely payment.

Payments for the Group are made centrally by the Company's Finance department in Prague on a weekly basis for each country. To have an invoice paid, it should be fully processed in the ERP system (Axapta three-way match). The Company's treasury specialists prepare the payment proposal list based on Axapta and invoice due dates, per supplier. Multiple invoices can be included per supplier. The payment list is based on five pillars: OpEx, CAPEX, overhead, financing, and acquisition. At the business-unit level, the CFO, country head and head of construction review and approve the payment proposal list. Payments are made based upon the fully approved payment list.

CTP's targets for Conducting Business with Integrity

CONDUCTING BUSINESS WITH INTEGRITY TARGETS

Category	Baseline 2022	Performance 2023	Targets YE 2026
Employees trained in Code of Conduct, anti-harassment policy each year	100%	100%	Recurring annually
Gender split no larger than 45-55%	On target	On target	Recurring annually

4.7.4.3 Workers in the value chain, Interests and views of value-chain workers

ESRS S2 SBM-2-9

Due to its extensive construction activities, CTP indirectly hires many workers in the construction industry. Due to the nature of this activity, the health and safety of these workers can be greatly influenced. However, as CTP does not have direct control over the health and safety of working conditions at many of its construction sites, the Company's impact in this area is limited.

Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS S2 SBM-3-10

CTP considers the availability of labour in its value chain when deciding on locations for new developments, as this is an important component of the decision-making process for many of the Company's clients.

Risk relating to workers in CTP's supply chain is limited to potential shortages in the construction workforce in some locations.

ESRS S2 SBM-3-11, ESRS S2 SBM-3-12, ESRS S2 SBM-3-13

The number of workers in CTP's value chain that could be materially impacted by the Company is limited. Among these, the most significant are upstream workers who are involved in the construction phase of the Company's buildings, considering the inherent health and safety risks involved at construction sites.

With regards to downstream workers, the people working at the buildings owned and operated by CTP (i.e., client employees) are the largest group. Protection of their health and safety is a key material impact.

Most upstream value-chain workers involved in the production of construction materials procured by CTP are located in the EU. Due to stringent laws, regulations, and government oversight, CTP does not identify any risk of child labour, or forced or compulsory labour.

Policies related to workers in the value chain

ESRS S2-1-16, ESRS S2-1 MDR-P, ESRS S2-1-17, GRI 2-24

CTP policies cover the human rights and health and safety of the workers in the value chain via its Supplier Code of Conduct ("SCOC"). The SCOC addresses in particular "Human Rights and Labour Conditions" and "Health, Well-being, and Work Safety" and covers all suppliers within the supply chain of the Company. The Executive Directors are ultimately responsible for ensuring compliance with the SCOC by all CTP suppliers.

The SCOC is available on CTP's website.

ESRS S2-1-18

CTP's SCOC specifically addresses human trafficking, child labour, and forced labour and prohibits these practices.

ESRS S2-1-19

CTP is committed to upholding the highest standards for workers within its value chain. The Company's policies and practices are aligned with the United Nations (UN) Guiding Principles on Business and Human Rights. This commitment is reflected in CTP's adherence to principles that ensure the protection of human rights, prevention of forced and child labour, and promotion of fair working conditions and inclusiveness. The Company's approach is in line with the core principles of the International Bill of Human Rights and ILO core conventions, emphasising the importance of respecting freedom of association, collective bargaining, and non-discrimination in employment and occupation.

Engagement with value-chain workers

ESRS S2-2-24

CTP is working on setting up a systemised approach to its value chain stakeholders.

Impact remediation and raising concerns

ESRS S2-3-27, ESRS S2-3-28

CTP Group acknowledges its responsibility towards the welfare of workers in its value chain. CTP is committed to identifying, preventing, and remediating any negative impacts its operations may cause or contribute to. The Company's approach is built on effective communication, transparent processes, and a strong emphasis on corrective actions.

CTP has established multiple channels for workers in its value chain to raise concerns. These mechanisms are designed to be accessible, confidential, and effective, ensuring that each concern is heard and addressed appropriately:

1. whistleblowing and grievance mechanisms;
2. dedicated email and hotline; and
3. external independent web application.

Upon receiving a concern, CTP ensures a thorough investigation and follow-up. The Company maintains transparency in its processes while respecting the confidentiality of the individuals involved. Regular updates are provided to the concerned stakeholders, and outcomes of the investigations are shared to the extent possible while maintaining confidentiality.

Actions and recourses

ESRS S2-4-31, ESRS S2-4 MDR-A

The main initiative through which CTP prevents and remediates negative impacts on value-chain workers is through the SCOC, which includes an explanation of the Company's grievance channels.

ESRS S2-4-32

While CTP did not take any formal action in 2023, the Company plans to adopt a Stakeholder Engagement Policy in the coming years. The results of future engagements will be the basis for additional policies in this domain.

ESRS S2-4-33

In its SCOC, CTP's process for the identification of the required or appropriate responses to negative impacts is explained. For more information, please refer to the paragraph on impact remediation.

ESRS S2-4-34

With regards to material risks and opportunities, no formal action was taken in 2023.

ESRS S2-4-35

Beyond what is stated in the SCOC, CTP has not taken formal actions to avoid causing or contributing to material negative impacts.

ESRS S2-4-36

No severe human rights issues or incidents were reported in 2023.

ESRS S2-4-38

The allocated resources are currently limited to managing the grievance channels and the SCOC.

Targets

ESRS S2-5-41, ESRS S2-5 MDR-T, ESRS S2-5-42

In the coming years, CTP will develop a Stakeholder Engagement Policy to describe the way the Company engages with stakeholders mentioned in Section 4.3.

4.7.4.4 Green building Certifications

CTP considers green building certification as a useful tool to increase the sustainability of its buildings and attract new clients. Therefore, CTP certifies all new buildings to the BREEAM New Construction "Very Good" level or higher, incorporating industry-leading technological and environmental specifications to ensure that they minimise their impact on the environment.

As at end-2023, CTP has received a total 10 BREEAM "Outstanding" certifications in the "In Use" and "New Construction" categories for nine of its buildings—with the Clubhaus at CTPark Bucharest West receiving an "Oustanding" rating for both categories.

See Appendix 7.3.4 for more detail on the number of new BREEAM certifications recieved in 2023.

A portion of the buildings with no BREEAM or certificates are either recently completed and thus do not have a ceritificate awarded yet or are earmarked for redevelopment or major upgrade. Buildings in Germany will be certified using the DGNB certification scheme.

BREEAM CERTIFICATIONS [1]

BREEAM Certificate Type & Level [EPRA Cert-Tot]	Number	Sqm
In Use		
Outstanding	7	270,287
Excellent	62	1,193,818
Very Good	325	5,606,681
Good	18	199,071
Pass	1	8,535
Total In use	**413**	**7,278,391**
New Construction		
Outstanding	3	39,413
Excellent	17	914,981
Very Good	18	646,711
Total New Construction	**38**	**1,601,106**
Uncertified	174	3,024,253

EPC CERTIFICATIONS

EPC Level	Number	Sqm
EU EPC - A+ (or higher)	7	334,400
EU EPC - A	108	2,498,485
EU EPC - B	176	3,002,366
EU EPC - C	149	2,665,403
EU EPC - D	25	411,627
EU EPC - E	5	73,812
EU EPC - F	7	70,465
EU EPC - G	5	32,322
EU EPC - Poland	16	530,997
EU EPC - Germany (Non-residential)	44	1,074,053
Total Certified	**542**	**10,693,930**
Uncertified Buildings	70	1,106,070

1 Buildings "BUW18" and "BUW20-21" are double certified under both the "In-Use" and "New Construction" schemes, therefore those building are included two times in Total GLA.

4.7.4.5 Taxes

GRI 207-1, GRI 207-2, GRI 207-3, GRI 207-4

CTP ensures compliance with all applicable tax regulations. Due to the way in which CTP is structured, the Company does not qualify for Real Estate Investment Trust (REIT) regimes. CTP has a Tax Policy that can be found on the Company's website.

4.8 EU Taxonomy

EU Taxonomy is intended to reorient capital flows towards a more sustainable economy. Article 8(2) of the Taxonomy Regulation requires non-financial undertakings to disclose information on the proportion of the turnover, capital expenditure and operating expenditure of their activities related to assets or processes associated with environmentally sustainable economic activities. CTP discloses its eligibility and alignment in line with requirements. In 2023 disclosure eligibility was additionally assessed taking into account the Environmental Delegated Act.

Category	Turnover	CAPEX	OpEx
Taxonomy eligible and aligned activities	53.8%	51.3%	20.7%

4.8.1 KPIs (methodology of calculation)

Turnover
Turnover KPI is calculated based on the Group's 2023 consolidated Financial Statements and on the notes to the Financial Statements.

- **Eligible turnover** (numerator) = Rental Income (Note 8) + Service Charge income (Note 8) + Income from Development Activities (Note 9) + Hotel operating revenues (Note 9)
- **Total turnover** (denominator) = Total Revenues (Consolidated profit and loss statement).
- **Aligned turnover** (numerator) = Eligible turnover from economic activities attributed to assets (properties) that meet technical screening criteria including Substantial Contribution Criteria, Do Not Significantly Harm Criteria and Minimum Social Safeguards

To avoid double counting in the numerator, economic activities are attributed to the Company's business activities that are presented separately in the Financial Statements. Eligible turnover from economic activities that contribute to specific environmental objectives is presented separately. Economic activities are verified against their contribution to Climate Change Adaptation (CCA), Climate Change Mitigation (CCM) and Circular Economy (CE).

Capital expenditure (CAPEX)
CAPEX KPI is calculated based on the notes to the Financial Statements.

- **Eligible CAPEX** (numerator) = Land acquisition (Note 18 Acquisition – Landbank) + Costs related to design and project preparation and construction (Note 19 Additions IPUD, Rights of use assets) + Restructuring and major renovations of standing buildings (Note 18 Additions – Buildings and related land, Right of use assets-building related land, Right of use assets landbank) + Investment in all renewable energy sources including photovoltaic systems on facades and roofs (Note 21 Solar plants + solar plants under construction) + Acquisition of existing buildings (Note 18 Acquisitions – Buildings and related land, Note 19 Acquisitions – IPUD)
- **Total CAPEX** ((denominator) = Total of additions and acquisitions in Note 18, 19, 21 (Consolidated Financial Statement)
- **Aligned CAPEX** (numerator) = Eligible CAPEX from economic activities attributed to assets (properties and photovoltaic systems) that meet technical screening criteria including Substantial Contribution Criteria, Do Not Significantly Harm Criteria and Minimum Social Safeguards

To avoid double counting in the numerator, economic activities are attributed to the Company's business activities that are presented separately in the Financial Statements. Eligible CAPEX from economic activities that contribute to specific environmental objectives are presented separately. Economic activities are verified against their contribution to climate adaptation.

Operational expenditure (OpEx)

The EU Delegated Act list items to be considered as OpEx as: research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or a third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. Due to this, the calculation is not based on the consolidated Financial Statements. Instead, a bottom-up approach has been used. OpEx has been extracted from the breakdown of annual internal spendings.

- **Eligible OpEx** = Maintenance, repair and management of parks
- **Total OpEx** = Total property operating expenses + short term rent
- **Aligned OpEx** = Eligible OpEx from economic activities attributed to assets (properties) that meet technical screening criteria including Substantial Contribution Criteria, Do Not Significantly Harm Criteria and Minimum Social Safeguards

To avoid double counting in the numerator, economic activities are attributed to the Company's business activities that are presented separately in the Financial Statements. Eligible OpEx from economic activities that contribute to specific environmental objectives is presented separately. Economic activities are verified against their contribution to climate adaptation.

4.8.2 Eligibility

CTP's business activities were screened based on EU Taxonomy definitions, and four eligible economic activities have been identified: Climate Change Adaptation („CCA") 7.1 Construction of new buildings; Climate Change Mitigation („CCM") 7.1 Construction of new buildings; Circular Economy („CE") 3.1 Construction of new buildings; CCA 7.2 Renovation of existing buildings; CCM 7.2 Renovation of existing buildings; Circular Economy („CE") 3.2 Renovation of existing buildings; CCA 7.6 Installation, maintenance, and repair of renewable energy technologies; CCM 7.6 Installation, maintenance, and repair of renewable energy technologies; CCA 7.7 Acquisition and ownership of buildingsand CCM 7.7 Acquisition and ownership of buildings

The EU Delegated Regulation defines CCA 7.1 Construction of new buildings as:

Development of building projects for residential and non-residential buildings by bringing together financial, technical and physical means to realise the building projects for later sale as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.

As CTP's development activities are directly related to the above definitions, the following tasks are considered relevant:

1. Land acquisition (CAPEX);
2. Costs related to design and project preparation (CAPEX);
3. Construction of new buildings (CAPEX);
4. Extension of existing buildings (CAPEX);
5. Income from development activity (Revenue).

The EU Delegated Regulation defines CCA 7.2 Renovation of existing buildings as:
Construction and civil engineering works or preparation thereof.

As CTP's renovation activities are directly related to EU Taxonomy definitions, the following tasks are considered relevant:

1. Restructuring and major renovations of standing buildings (CAPEX).

The EU Delegated Regulation defines CCA 7.6 Installation, maintenance, and repair of renewable energy technologies as:
Installation, maintenance, and repair of renewable energy technologies, on-site.

As CTP invests in the development of photovoltaic capacity, the following tasks are considered relevant:

1. Investment in all renewable energy sources including photovoltaic systems on facades and roofs (CAPEX);
2. Maintenance of existing renewable energy systems (OpEx).

The EU Delegated Regulation defines CCA 7.7 Acquisition and ownership of buildings as:
Buying real estate and exercising ownership of that real estate.

As CTP's acquisition activities directly relate to the above definition, the following tasks are considered relevant:

1. Acquisition of existing buildings (CAPEX);
2. Costs related to buildings maintenance and operations (OpEx);
3. Rental income (Turnover);
4. Service Charge Income (Turnover);
5. Hotel Rental Income (Turnover).

4.8.3 Alignment

EU Taxonomy disclosure also requires reporting on the alignment of eligible activities with the Technical Screening criteria set out in Commission Delegated Regulation (EU) 2021/2139 and amended by Commission Delegated Regulation (EU) 2023/2485.

Determination of taxonomy alignment requires that the eligible economic activity concerned makes a significant contribution to the attainment of one or more environmental objectives, does not significantly harm any other environmental objective, and the company complies with the minimum social safeguards in relation to among others, occupational health and safety, corruption, tax, fair competition and human rights. With respect to the verification of contributions to environmental objectives and Do Not Significantly Harm Criteria, the technical screening criteria for the individual climate objectives are defined in the relevant annexes to the Delegated Acts.

The six Taxonomy environmental objectives are:
1. climate change mitigation;
2. climate change adaptation;
3. the sustainable use and protection of water and marine resources;
4. the transition to a circular economy;
5. pollution prevention and control; and
6. the protection and restoration of biodiversity and ecosystems.

Climate change mitigation and Climate change adaptation—are verified on an economic activity basis and documented in checklists. Circular Economy requirements have been screened and found out not to be met by CTP.

Verification of the Minimum Social Safeguard requirement has been done on a company level. It consists of embracing international conventions and regulations on health and safety, corruption, tax, fair competition and human rights, such as OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights (UNGPs), ILO core conventions and the International Bill of Human Rights. CTP embraced relevant guidelines and processes to extent that allows to consider CTP compliant although there are areas for further development. Additionally verification of CTP's liability in respect of breach of any of these aspects has been carried out. The gender pay gap is presented in Section 4.7.3.20, Board gender diversity in Section 5.1.1. CTP is moreover not exposed to controversial weapons.

All Group assets that are under management and under construction are screened based on technical screening criteria for specific activities (including Substantial Contribution Criteria, Do Not Significantly Harm Criteria and Minimum Social Safeguards). Each asset is tested using appropriate checklists. A set of aligned and non-aligned assets is developed and used to report KPIs on alignment. All properties considered aligned have climate adaptation solutions that substantially reduce most important physical climate risks from list in Appendix A of the Climate Delegated Act introduced.

Eligible Turnover, CAPEX and OpEx attributed to Activities related to assets that are aligned are recognised as aligned. Attribution to activities secure avoidance of double counting.

CTP conducted an analysis of its eligibility and alignment with EU Taxonomy for the first time in 2022 and it was internally reviewed in 2023.

CTP's core business operations are focused on the construction of buildings and management of existing properties. Core operations are focused on economic activities that are considered eligible (CCA 7.1, CCA 7.2, CCA 7.6 and CCA 7.7). These consolidated eligibility results are for all KPIs (turnover: 100%, CAPEX 99.7%, OpEx 78.0%). High values of eligibility are typical for real estate management and development companies.

Alignment with EU Taxonomy means meeting multiple requirements that apply to company governance, processes, specific project requirements and detailed reporting. CTP adapted the requirements stated in the Minimum Social Safeguard requirements, adjusting its policies and processes. Meeting these requirements is a prerequisite to consider any activity aligned. In 2022, CTP analysed economic activities against respective technical screening criteria. In 2023 analysis was conducted again as there were updates in relevant criteria. Alignment levels of 53.8% for Turnover, 51.3% for CAPEX and 20.7% for OpEx have been achieved.

CTP's turnover comes mostly from managed properties. The share of properties that can ensure aligned turnover is a result of the quality of managed properties and the age and share of acquired buildings vs. self-developed. CTP-developed buildings are of high quality and ensure high energy efficiency. To increase the share of aligned properties, among others the further development of energy performance certificates, further renovation activities are required. CTP is improving energy efficiency in its portfolio. Increase of aligned Turnover from 46.4% to 53.8% is result of improvement in reporting and quality of standing, revenue generating portfolio.

CTP CAPEX is mostly spent on the construction of new buildings and the acquisition of existing properties. To increase the share of aligned CAPEX, detailed requirements for the construction of new buildings (Activity CCA 7.1) required some adjustments to CTP's building and construction process specification. Implementation of adjusted specification is currently happening. As CTP already certifies buildings in the BREEAM scheme, required adjustments are small. For building acquisitions, technical due diligence will be developed to cover Taxonomy aspects to make sure conscious decisions in this field are made. CAPEX plan to improve environmental performance of CTP buildings is currently under development and will be the part of Transition plan for climate change mitigation. Increase of aligned CAPEX from 4.9% to 51.3% is result of introduction of EU Taxonomy specific requirements into development process as well as improved quality of reporting. Increase is much more significant than for Turnover as introduction of requirements have immediate effect on meeting alignment requirements by construction activities.

Aligned OpEx relates to aligned properties under management. These aligned properties however have a relatively low share of operation and maintenance cost and therefore the reported aligned OpEx deviates from the aligned Turnover. Aligned OpEx has increased from 13.7% to 20.7%.

CTP issued green bonds that are not directly related to the EU Taxonomy. Presented KPIs are not adjusted. Adjusted KPIs based on the assumption that share of CTP assets is financed with proceeds from green bonds can be found below.

Adjustment has been calculated based on the assumption that Fair value of portfolio equals to €12.0 billion (Note 18) is financed by green bonds (Note 30 – €3.6 billion excluded €20.0 million of non-green bonds). Non adjusted KPIs have been multiplied by the share of the portfolio that is not financed by green bonds (that equals to 70.3%). Adjusted KPIs are 37.8% for Turnover, 36.1% for CAPEX.

The breakdown of Taxonomy eligibility and alignment by activities can be found in Appendix 7.8.

KPIS ADJUSTMENT

		Note
Green Bonds	€3.6 billion	Note 30, excluding €20 million non-green bonds
Investment Property	€12.0 billion	Note 18
Investment Property funded by Green Bonds	29.7%	
Aligned Turnover, non-adjusted	53.8%	KPI table in Appendix 7.8
Estimated to be funded with green bonds based on 29.7%)	15.9%	
Aligned Turnover, adjusted	37.8%	
Aligned CAPEX, non-adjusted	51.3%	KPI table in Appendix 7.8
Estimated to be funded with green bonds based on 29.7%)	15.2%	
Aligned CAPEX, adjusted	36.1%	

QUANTITATIVE BREAKDOWN OF ALIGNED CAPEX

Activity	Category	€ million
Activity CCA 7.1	Construction activities	600.0
Activity CCA 7.6	Installation of photovoltaics	54.0
Total aligned CAPEX		654.0

QUANTITATIVE BREAKDOWN OF ALIGNED OPEX

Activity	Category	€ million
Activity CCA 7.7	Maintenance and operations of existing building	18.9
Total aligned OpEx		18.9

PROPORTION OF TURNOVER/TOTAL TURNOVER

	Aligned per objective	Eligible per objective
CCM	0%	0%
CCA	53.8%	100%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF CAPEX/TOTAL CAPEX

	Aligned per objective	Eligible per objective
CCM	0%	0%
CCA	51.3%	99.7%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

PROPORTION OF OPEX/TOTAL OPEX

	Aligned per objective	Eligible per objective
CCM	0%	0%
CCA	20.7%	78.0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Governance

5

This chapter describes CTP's corporate governance and legal structure.

Governance

5.1 Governance Structure

CTP is a public limited liability company listed on Euronext Amsterdam and governed by Dutch law. CTP has designed its corporate governance structure to best support its business, to meet the needs of its (Non-) Executive Directors and stakeholders, and to comply with applicable laws and regulations.

CTP has a one-tier board structure consisting of one or more executive directors ("the Executive Directors") and independent non-executive directors ("the Non-Executive Directors"), who together constitute the Board of Directors ("the Board").

The Board currently consists of six Directors, of whom two are Executive Directors and four are Non-Executive Directors. The Board serves both as the executive and supervisory body of the Company. Under CTP's articles of association ("the Articles") and Dutch law, the Board is collectively responsible for the Company's management, general and financial affairs, policies, and for its operations, taking into consideration the interests of the Group's stakeholders. The Board determines how sustainable long-term value creation is relevant for the Company and its business, maintains awareness of the impact that the actions of the Company and the business have on the value chain, and considers relevant stakeholder interests in this context.

Within the Board, the Non-Executive Directors supervise and provide advice on the performance of the duties of the Executive Directors, the Company and its business. Furthermore, the Non-Executive Directors supervise the Executive Directors' implementation of the Company's strategy. The Non-Executive Directors also determine the targets and remuneration of the Executive Directors in accordance with the Group's Remuneration Policy and any arrangements for remuneration in the form of Company shares or rights to subscribe for shares (as approved by the General Meeting). CTP's CEO is primarily responsible for strategic, risk and control issues, among others.

The CFO is primarily responsible for, among others, treasury, funding and tax matters, the financial strategy, and management accounting.

The Board has adopted written rules of procedure governing the internal proceedings of the Board ("the Board Rules") applicable to its performance, decision making, composition, the tasks and working procedures of the committees established by the Board and other matters relating to the Board, the CEO, CFO and the Non-Executive Directors of the Company. In accordance with the Board Rules, resolutions of the Board are adopted by a simple majority of the votes cast at a meeting at which at least the majority of its members are present or represented. Each Director has the right to cast one vote. In case of a tied vote, the proposal will be rejected unless the CEO uses his right to exercise a casting vote. The Board Rules are available on CTP's website.

In addition to the Board Rules, the Board has adopted charters for its committees, to which committees the Board, while retaining overall responsibility, has assigned certain tasks: the audit committee ("the Audit Committee"), the nomination and remuneration committee ("the Nomination and Remuneration Committee"), and the sustainability committee ("the Sustainability Committee"). Each committee reports to the Board. More on governance processes, controls and procedures put in place to monitor and manage sustainability matters can be found in Section 5.2.2.

5.1.1 Board of Directors

ESRS 2 GOV-1-21, GRI 2-9, EPRA GOV-BOARD

Remon L. Vos
Executive Director & CEO

Born in the Netherlands in 1970, Remon Vos founded CTP in 1998 with two investors to develop A-class industrial properties in the Czech Republic. Over the next 20 years, Remon grew the CTPark Network to become the largest integrated system of full-service business parks in Central and Eastern Europe ("CEE"). In July 2019, Remon took over 100% control of the CTP Group and continues to lead the Company. He is personally involved at both the executive and operational levels in all markets, growing the portfolio and strengthening relationships with long-term business partners.

Richard Wilkinson
Executive Director & CFO

Richard Wilkinson joined CTP in 2018 as CFO and is responsible for the financing of the entire Group portfolio throughout CEE. With several others, Richard oversaw the first sale of a portion of CTP's portfolio to a third party, organised the largest industrial real estate refinancing in CEE history, and led CTP's debut green bond and the Company's IPO—the largest inaugural offering in CEE real estate. After studying law at the London School of Economics, Richard moved to a career in finance. For nearly 30 years he has held various Senior Management positions in treasury, balance-sheet management, corporate banking and real estate.

Barbara Knoflach's career has taken her through banking and finance, real estate, and most recently to innovation and sustainability. Barbara's career highlights include her positions as CEO of SEB Asset Management and Managing Director of SEB Investment from 2005 to 2015, and Deputy Chief Executive and Global Head of Investment Management of BNP Paribas Real Estate from 2015 to 2019. Barbara hones her ability to look at the bigger picture and shares her dynamic experience sitting on several committees and boards throughout her career, such as AFIRE, BVI, ULI, ZIA, and the Real Estate Academic Initiative at Harvard University. Most recently, she created LifeWorkSpace, a consulting and private investment company focused on spurring innovation and sustainability strategies in the real estate sector. She is a co-founder of TinyBE, a non-profit organisation engaged in innovative art projects.

In her role as Senior Executive Director and temporary Chair of the Nomination and Remuneration Committee, Barbara brings both deep executive experience and relevant sector insight to CTP. She has skills in core segments of investment, development and construction. Her interest in the HR area complements the skills of the other Board members.

Susanne Eickermann-Riepe joined the Board following the end of her tenure as an active partner at PwC Germany, where she served as Head of Real Estate. With 30 years of experience in strategic and operational consulting in financial services, real estate services, funds and companies, Susanne knows that the future of the industry will not happen without sustainability. Due to her professional background and leadership in innovation, Susanne was appointed as the chair of the board of the Royal Institution of Chartered Surveyors (RICS) Germany, where she drives several working groups on the implementation of the EU Green Deal. Susanne's professional expertise paired with her future-leaning environmental concerns have placed her in several real estate advisory positions. Her activities are spurred by her belief that the real estate sector must take more responsibility and action for an equitable future.

With her different roles, Susanne has a world of sustainability expertise, which she brings to CTP in her capacity as chair of the Sustainability Committee and member of the Board. She also has access to the knowledge needed within CTP to advance the business and the processes and controls needed to align with ESG demands. Finally, by her membership of the Audit Committee, she ensures that the connection between reporting requirements and business is being made.

Barbara Knoflach
Non-Executive Director & Chairwoman of the Board

Susanne Eickermann-Riepe
Non-Executive Director

Gerard van Kesteren is a financial specialist in the global logistics sector and is a non-executive director of a number of companies, as well as a senior advisor with McKinsey & Company, and has extensive international experience and financial management capabilities. Gerard worked with Kuehne + Nagel for 25 years; from 1999 until 2014 as the Group Chief Financial Officer and as a member of the Management Board, being highly influential in the development of the K+N Group. During his career, he also held leading positions in finance at Sara Lee Corporation; six years as Financial Director in the UK, two years in Spain, and two years as Director of Financial Planning and Analysis in the Netherlands. In addition, Gerard was named CFO of the Year in 2010 by CFO Forum Switzerland and served as Chairman of the CFO Circle (Switzerland) from 2014–2019. He is the founder and board member of the Van Kesteren Foundation, which extends aid to youth programs across developing countries.

Gerard brings accountancy knowledge to the Board and is a relentless advocate for quality in the areas of planning and control, (internal) auditing and a systemised way of (financial) reporting.

Pavel Trenka brings a wealth of international experience to the table. For over a decade at HB Reavis, Pavel led their international expansion beyond the Czech Republic and Slovakia, both in Western Europe and CEE. He started out on the Board, then became the Group CEO for five years and thereafter continued in a leadership position as a non-executive director. Pavel previously was an associate partner at McKinsey & Company working in CEE, Russia and the USA. During his tenure there, he worked extensively with large international clients, primarily on revenue growth strategies and organisation transformations. He started his career within the investment banking team of Bank Austria during the privatisations of the early 1990s. Pavel holds an MBA in Finance and Economics from the University of Rochester (USA) and an undergraduate degree from the University of Economics in Bratislava. In Slovakia, he founded two non-profit organisations, both geared to support youth skill development, where he is actively engaged.

Gerard van Kesteren
Non-Executive Director

Pavel Trenka
Non-Executive Director

BIOGRAPHIES OF DIRECTORS OF CTP'S BOARD

ESRS 2 GOV-1-21

	Remon Vos	Richard Wilkinson	Barbara Knoflach	Gerard van Kesteren	Susanne Eickermann-Riepe	Pavel Trenka
Position	CEO	CFO	Chairwoman, Non-Executive Director	Non-Executive Director	Non-Executive Director	Non-Executive Director
Nationality, year of birth	Dutch, 1970	British, 1964	Austrian, 1965	Dutch, 1949	German, 1960	Slovak, 1973
First appointed on	1 July 2020	28 December 2020	29 March 2021	29 March 2021	29 March 2021	29 March 2021
End of current term of appointment	Indefinite	2025	2024	2024	2024	2024
Previous significant positions	**CEO of CTP**	**Erste Group**	**BNP Paribas Real Estate** • Deputy CEO and Global Head of Investment Management **SEB Asset Management** • CEO	**Kuehne + Nagel International AG** • CFO	**PwC** • Partner, Head of German Real Estate Business	**HB Reavis Group** • CEO
Additional positions	• None	• None	**Swiss Prime Site** (Switzerland) • Board Member **Aareal Bank AG** • Supervisory Board Member **Lendlease Corporation (Australia)** • Non-Executive Board Member	**Deufol SE (Germany)** *Packaging services and associated services* • Member of the Board **De Well (Hong Kong)** *Global logistics and forwarding enterprise founded in Shanghai* • Member of the Board **Raben Group (Netherlands)** *Logistics company* • Member of the Board **Planzer Holding AG (Switzerland)** *Logistics/transportation company* • Member of the Supervisory Board **Janel Corporation (USA)** *Logistics company* • Chair of the Audit Committee and Member of the Nomination and Compensation Committee	**ARE Austrian Real Estate GmbH** *Real Estate company* • Member of the Supervisory Board **Engel & Völkers Venture Management AG** *Service company specialised in the brokerage of premium real estate, yachts and aircrafts* • Deputy Chairperson of the Supervisory Board **RICS** *Royal Institute of Chartered Surveyors* • Chair of the European World Regional Board , • Chair of the Advisory Board of RICS Germany **ICG Institute** *Association representing the general interests of the German real estate industry* • Chair of the Board	**Leaf Academy** *Non-profit organisation* • Board Member **Duke of Edinburgh International Award** *Non-profit organisation* • Board Member
Independence	Not applicable (ED)	• Not applicable (ED)	Yes	Yes	Yes	Yes
Shareholding	337,286,991 (held by CTP Holding B.V.)	6,666 (not including LTIP conditional shares)	8,921	34,000	14,400	136,315

ESRS G1-5-30

None of the members of the Board held (or hold) positions in public administration or lobby organisations (including regulators) in the two years preceding their appointment in March 2021 to their current position.

5.1.2 Appointment and composition of the Board of Directors

GRI 2-10, GRI 2-16, GRI 2-17,EPRA GOV-SELECT

The Board is authorised to determine the number of Executive Directors and Non-Executive Directors. A Director is appointed by the General Meeting on a binding nomination of the Non-Executive Directors on behalf of the Board. The General Meeting may overrule a binding nomination for the appointment of a Director with an absolute majority of votes cast in a meeting where more than one-third of the issued share capital is represented. The majority of the Directors must be Non-Executive Directors, and one-third of the Non-Executive Directors must be female. The Board may grant titles to Directors as the Board deems appropriate, including the title of Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Senior Independent Director.

GRI 2-11

The CEO acts as the Board's spokesperson and is primarily responsible for the Group's strategic, risk and control issues. He is also responsible for convening General Meetings and calling Board meetings. The responsibilities of the Senior Independent Director include ensuring that the Board and its committees are composed in a balanced way and function properly. The Senior Independent Director chairs General Meetings of shareholders and Board meetings, ensures that Board decisions are made in accordance with the Articles and the Board Rules, and supervises the implementation of adopted resolutions by the Board. The Senior Independent Director also acts on behalf of the Board as the main contact for shareholders and for General Meetings.

A Director is appointed for a term lapsing ultimately at the end of the AGM held in the fourth year after the year of his/her appointment or reappointment, unless specified otherwise in the nomination for appointment or re-appointment. The General Meeting may at any time suspend or dismiss a Director.

CTP's majority shareholder, Mr. Remon Vos, was appointed CEO and Executive Director after the Company's IPO in March 2021 and is unlimitedly re-appointed as a Director. The reason for this is that Mr. Vos has been instrumental to the building of the Group since its foundation in 1998 and has been its Chief Executive Officer since 1999. He is personally involved in many aspects of the Group's business, including formulation and implementation of its business strategy and relationships with key clients.

In addition to Remon Vos, Mr. Richard Wilkinson is an Executive Director and CFO. Mr. Wilkinson is appointed for a term ending at the end of the AGM to be held in 2025.

The Non-Executive Directors are Ms. Barbara Knoflach (Senior Independent Director and Chairwoman of the Board), Mr. Gerard van Kesteren (Vice-Chairman of the Board), Ms. Susanne Eickermann-Riepe and Mr. Pavel Trenka. The Non-Executive Directors were appointed on 16 March 2021 for a term ending at the end of the AGM to be held on 23 April 2024. All members are independent in conformity with the provisions of the Dutch Corporate Governance Code ("the Code"). The retirement schedule of the Non-Executive Directors provides for them to retire simultaneously. Upon appointing a new Non-Executive Director or re-appointing a Non-Executive Director in function, CTP's retirement schedule will be amended to reflect the option to (re-)appoint for terms ranging from one to four years.

While there is no written succession plan in place, with the availability of dedicated Senior Management placed below the Executive Directors, the Group's short- and medium-term succession is assured. In addition to the Executive Directors, Senior Management consists of a Group Chief Operating Officer ("COO") and—in the 10 countries where the Company is active —a local Managing Director and Country Chief Financial Officer.

Independence of Non-Executive Directors

GRI 2-15, EPRA GOV-COL

How to deal with conflict of interest situations is described in the Board Rules. The provisions are such that the Non-Executive Directors decide whether a Director has a conflict of interest without this Director being present. Upon this being the case, a decision can only be made if the proposed transaction is customary in the market and in compliance with the laws of the relevant jurisdiction and requires the consent of at least the majority of the Non-Executive Directors if the conflict of interest is of material significance to CTP or to the relevant Director. No loans or guarantees are given to a Director unless in the normal course of business and on terms applicable to CTP's personnel.

ESRS 2 GOV-1-21

In the opinion of the Non-Executive Directors, in 2023 the independence requirements referred to in the Code were fulfilled. Dutch law independence requirements do not require Executive Directors of a (one-tier) board to be independent, but only Non-Executive Directors. Considering Dutch legal requirements, all CTP's Non-Executive Directors are independent.

All four Non-Executive Directors own CTP shares.

Introduction program for Non-Executive Directors
There have been no Non-Executive Directors appointed after March 2021. Therefore, no introduction program was organised in 2023. Onboarding was provided to Senior Management joining in 2023.

Permanent education and evaluation
Education sessions are offered to the Non-Executive Directors throughout the year. In March 2023, CTP's Group Head of ICT together with an external expert updated the Non-Executive Directors on the IT systems within CTP and on cybersecurity. In December, external experts held a general seminar for the Board relating to ESG requirements. Throughout the year, various members of the Board attended several Senior Management offsite meetings in CTP countries.

Evaluation of the functioning of the Executive Directors and the Non-Executive Directors and of the committees of the Board of Directors takes place once a year, either with or without an external expert. Evaluation of the individual members of the Board of Directors takes place throughout the year on an informal basis.

The self-evaluation for the year 2023 was carried out by completing a questionnaire on an anonymous basis by all the Board members. The outcome of the questionnaire was discussed in two subsequent Board meetings. The main findings and conclusions were that CTP's Board has fully matured into its position since the IPO in March 2021. The Board of Directors is small and diverse with the ability to act quickly in case of important opportunities for the Company. Areas of improvement are, among others, to ensure more time for discussion between Executive Directors and Non-Executive Directors. For this purpose, dinner meetings in advance of Board meetings are planned.

The Nomination and Remuneration Committee has expressed the wish to expand its span of control relating to remuneration conditions, which currently amounts to the CFO position within the Board only. Going forward and upon approval by the AGM of the new Remuneration Policy, the CEO will be included in target setting and pay out. The Senior Management conditions of employment will be aligned with those of the Executive Directors.

DIRECTOR'S COMPETENCY TABLE

	Years in board	Year of birth	Gender	General business management strategy	Finance (balance & reporting	Financial markets/ disclosure, communi-cation	Audit, risk, compliance, legal & governance	Real estate	M&A	IT/Digital & Innovation	Social employment	ESG
Remon Vos	4	1970	M	x	x	x		x	x	x	x	x
Richard Wilkinson	4	1964	M	x	x	x	x	x	x	x	x	x
Barbara Knoflach	3	1965	F	x	x	x	x	x	x	x	x	x
Susanne Eickermann-Riepe	3	1960	F	x	x	x	x	x	x	x	x	x
Gerard Van Kesteren	3	1949	M	x	x	x	x		x			
Pavel Trenka	3	1973	M	x	x			x	x	x	x	

5.1.3 General Meetings of shareholders

The Annual General Meeting ("AGM") is held at least once a year, no later than 30 June. The agenda for the AGM includes, among others, the adoption of the Group's annual accounts, the appointment of the external auditor, the allocation of profits insofar as this is at the disposal of the AGM, and any other matters proposed by the Board or by the shareholders in accordance with the Company's Articles and Dutch law. The Articles outline the procedures for convening and holding the AGM and the decision-making process. The draft minutes of the AGM must be published on CTP's website no later than three months following the AGM. Shareholders are given three months to respond to the draft minutes. The minutes of the AGM are subsequently adopted and signed by the chair of the AGM and the Company Secretary.

Contacts with shareholders are conducted in line with the bilateral contacts policy, published on CTP's website.

Annual General Meeting held in 2023

CTP's 2023 AGM was held in Amsterdam on 25 April 2023. Meeting topics included, among others, the 2022 Annual Report, the authorisation to issue shares, amendments to the Articles to enable virtual meetings of shareholders to take place, the presentation of the Remuneration Report and the 2022 final dividend. No responses to the draft minutes were received. The minutes of the 2023 AGM were adopted and signed on 25 October 2023.

Dividend

An interim dividend of €0.25 per share was made available in shares or in cash and paid out on 4 September 2023. A final dividend for the 2023 financial year of €0.275 per ordinary share will be paid subject to AGM's adoption of the 2023 annual accounts and approval of the payment of the dividend, bringing the total dividend over the 2023 financial year to €0.525 per ordinary share.

No Extraordinary General Meeting took place in 2023. The next AGM will be held on 23 April 2024.

5.2 CTP Board and Committees

5.2.1 The Board and its meetings in 2023

ESRS GOV-2-26, GRI 2-18

The Board meets at least once every quarter, principally at CTP's headquarters in Amsterdam, the Netherlands. The Board met six times in 2023; all Board members attended all meetings. Recurring topics of discussion were, among others, acquisition projects and the development pipeline, leasing activities and financial performance. Management reporting and financial reporting versus the budget were discussed, cash-flow forecasts and investor relations updates were provided, and risk management reports containing information about material impacts, risks and opportunities and compliance reports were discussed (including sustainability-related concerns that may arise and would require attention). These reports reach the Board via the Group Head of Internal Audit, Group Head of Risk Management, Group AML Compliance Officer and the CFO. The results and effectiveness of policies, actions, metrics and targets to address these material impacts, risks and opportunities are addressed in the Audit Committee and at Board meetings.

Oversight of CTP's strategy and decisions to enter major transactions is done at meetings of the Board upon the initiative of the Executive Directors. In its decision the Board considers sensitivity to uncertainty also by legal, technical and environmental due diligence reporting that has taken place in the early stages of a potential transaction. CTP's strategy is discussed in the Board at least once a year, whereby the CEO and CFO present an update on the five-year strategy and indicate risks on the implementation of the then-current strategy plan.

At each meeting of the Board a list of opportunities is tabled including an update on the risks that go with the opportunity. A list of risks is mentioned in Section 5.2.2 – Audit Committee.

The Board at present is not informed regularly on the implementation of sustainability due diligence in CTP's processes. When deemed necessary, the Board consulted outside experts for advice and training purposes.

The Executive Directors meet each week, whereby they discuss strategic, operational and financial topics, including assessing and managing impacts, risks and opportunities. Oversight over this position is exercised by frequent contact every other week, contact with the Chair of the Board of Directors, monthly Board update calls (including relevant documentation on the day-to-day business, update on the status of key performance indicators) and other ad hoc contact moments. Dedicated controls and procedures are applied to the extent that approval for transactions above a certain (deal or monetary) size, services from the external auditor that have not been pre-approved, and other business matters need to be approved by the Non-Executive Directors before they take place. Discussions on deficiencies (both signalled by CTP's internal auditor as well as its external auditor) take place on a regular basis, and the annual audit leading to the approval of the annual accounts ensures that the risks and impacts are properly managed.

At its 2 March meeting, the Board discussed operator, developer and energy business topics. The 2022 Annual Report was approved, as was the 2022 dividend distribution, the AGM agenda, remuneration for 2023, and the fulfilment of the 2022 targets.

At the 25 April meeting, Pavel Trenka renounced his function as Chair of the Nomination and Remuneration Committee. He stayed on as a member. Barbara Knoflach was appointed as Chair of the Nomination and Remuneration Committee; an update on HR was given.

At the 10 May meeting, the first-quarter Financial Statements were approved, and the 2023 short-term incentives of the CFO for 2023 and the draft ESG Report were discussed.

The Board evaluated its own functioning and that of its committees in April and May by completing a questionnaire on an anonymous basis. The outcome of the questionnaire was discussed in two subsequent Board meetings in August and in November. The areas for further improvement relate to transformation of the organisation and of IT systems, succession planning and retirement of the Non-Executive Directors. Action for improvement was taken on all these points.

At the 9 August meeting, the first half-year Financial Statements were discussed, as were the interim dividend, the audit plan and engagement letter of the external auditor, and diversity within CTP. The status of the best-practice provisions of the Code and the questionnaire regarding self-assessment of the Non-Executive Directors were discussed.

At the 8 November meeting, the Board discussed third-quarter results, business updates were given, several compliance policies were discussed, a status update of deviations from the Code was provided and the annual evaluation of the Board Rules was discussed. The retirement schedule of the Non-Executive Directors and benchmarking 2022 and remuneration trends were discussed. An enterprise resource planning ("ERP") update was given.

At the 21 December meeting, the Board discussed the effectiveness of the design and operation of the internal risk management and control systems. CTP's 2024–2030 strategy was discussed, as was the 2024 budget, remuneration, various policies and the Code of Conduct. The assessment of the fulfilment of the responsibilities of the internal and external auditor and the additional positions of the Non-Executive Directors were discussed. The list of reference companies for the remuneration peer group was updated to include an industry peer group.

The CFO and the Non-Executive Directors had ten Board update calls, the purpose of which was to inform the Non-Executive Directors of the business (including acquisitions), status of the key performance indicators and financial position of the Group. CTP's CFO reports on the impact, risks and opportunities. The main risks (being interest rate risk, liquidity risk, funding and credit risk, capital risk, property market risks, credit risk clients) are discussed.

The Non-Executive Directors had three meetings only among themselves, whereby one was in the presence of the external auditor.

5.2.2 Board committees and their meetings in 2023

AUDIT COMMITTEE

The duties of the Audit Committee include supervising and monitoring as well as advising the Board and each Director regarding the integrity and quality of the Company's financial and sustainability reporting and the effectiveness of the Company's internal risk management and control systems. The Audit Committee advises the Board on the exercise of certain of its duties. It also supervises the submission of financial information by the Company, compliance with the recommendations of internal and external auditors on, amongst others, integral reporting, the Company's policy on tax planning, and the Company's financing arrangements. It assists the Board with the Company's information and communications technology and maintains regular contact with and supervises the external accountant, and it prepares the nomination of an external accountant for appointment by the General Meeting. The Audit Committee also issues preliminary advice to the Board regarding the approval of the Financial Statements and the annual accounts, the annual budget and major capital expenditures.

The charter of the Audit Committee is published on CTP's website. The Audit Committee members are Mr. Gerard van Kesteren (Chair) and Ms. Susanne Eickermann-Riepe. The information referred to in the Code is included in Section 5.4.3.

The Audit Committee is responsible for oversight of the process to manage material impacts, risks and opportunities, including the role of the Executive Directors in the process to assess and manage impacts, risks and opportunities. These responsibilities are reflected in the Board Rules and in the charter of the Audit Committee.

ESRS 2 GOV-1-22

The Executive Directors, together with some of the Senior Managers, have meetings in which impacts, risks and opportunities relating to the business are assessed. No delegation of these activities has taken place within CTP. The reporting line to the supervisory bodies—the Audit Committee and the Board—is directly from the Executive Directors to the Board. Dedicated controls and procedures are applied to the management of impacts, risks and opportunities to the extent that the internal audit function together with the internal risk management function monitor and report on impacts and risks at each meeting of the Audit Committee. Targets for Senior Management relating to material impacts, risks and opportunities on CTP's business are set by the Executive Directors. Targets for Executive Directors are set by the Non-Executive Directors. Progress relating to the targets of the former group is monitored throughout the year by the CEO and by the Group COO and discussed with the Senior Management of each separate country. Progress relating to the Executive Directors is monitored twice per year by the Non-Executive Directors.

Meetings in 2023

The Audit Committee met five times in 2023; both members attended all meetings. Standard on the agenda of the Committee are the financial accounts of the period, the outlook and liquidity forecast (including funding and cash-flow forecast) and a review of the Company's key performance indicators. The internal auditor updates the Committee on his observations and on the status of control issues based on deficiencies identified by the external auditor in the relevant yearly audit, presents the internal plan, and gives regular updates on the status thereof.

Heads of the Compliance department and Risk Management department provide updates (including a whistleblower analysis). In the event that there are services performed by the external auditor that are outside of the scope of the statutory audit, the Audit Committee approves these services on a separate note. The external auditor attended (part of) the meetings, among others, to present its 2023 audit plan and findings.

In addition to the above recurring items, other items discussed during the meetings are mentioned below.

On 2 March, the 2022 Annual Report was discussed (including annual accounts), as well as the draft letter of representation, the management letter and audit report by the external auditor. ESG reporting and EU taxonomy, an update on the ERP conversion, and reports from the Compliance and Risk Management departments and the internal auditor were also discussed. The Audit Committee evaluated the functioning of the internal auditor and of KPMG as external auditor and advised the Board of the outcome thereof at the Board meeting on 2 March 2023.

On 10 May, the first-quarter results were discussed, and the application of ERP as the new ICT system, risks related to cybersecurity, and, at the request of the Chairman of the Audit Committee, regular legal claim reporting were introduced.

On 9 August, the first half year results and the application of ERP as new the ICT system were discussed. The external auditor presented its 2023 audit plan, and the 2023 interim dividend was discussed. A tax update—including the annual evaluation of the tax policy—was also discussed.

On 8 November, the third-quarter results were discussed, amendments to compliance policies were discussed, and an ERP update was provided. Several changes were proposed to the Audit Committee charter, taking into account the recently updated Code.

On 21 December, the 2024 budget and the status of the audit performed by the external auditor were discussed, the Code of Conduct and Risk Management Policy were evaluated. The findings relating to the assessment of the effectiveness of the design and operation of the internal risk management and control systems, covering strategic, operational, reporting and compliance risks, as well as an assessment of the effectiveness of the internal and external audit processes were discussed.

The Audit Committee met with the internal audit function and the CFO separately seven times during the year. At these meetings, inter alia, the progress of the internal audit plan was discussed, internal audit reports were shared, and deficiency reporting was tabled. The Audit Committee (and the other Non-Executive Directors) met with KPMG outside of the presence of the Executive Directors on 2 March 2023.

NOMINATION AND REMUNERATION COMMITTEE

The duties of the Nomination and Remuneration Committee include proposing appointments and re-appointments of Directors, preparing selection criteria and appointment procedures for Directors, and proposing and updating the composition profile for the Non-Executive Directors. The Nomination and Remuneration Committee also periodically assesses the scope and composition of the Board and the functioning of the individual Directors. It supervises the Board's policy on selection criteria and appointment procedures for Directors and Senior Management.

Furthermore, the duties of the Nomination and Remuneration Committee include the preparation of proposals by the Board on the Remuneration Policy for the Executive Directors to be adopted by the AGM and on the remuneration of the individual Executive Directors to be determined by the Non-Executive Directors. The Nomination and Remuneration Committee prepares a Remuneration Report on the execution of the Remuneration Policy for the Board during the respective year. The AGM has an advisory vote on the Remuneration Report. The charter for the Nomination and Remuneration Committee is published on CTP's website.

The Nomination and Remuneration Committee members are Pavel Trenka and Barbara Knoflach. Pavel Trenka was chair until 26 April 2023, after which date Barbara Knoflach took over the position of chair. While CTP is looking for a suitable new Non-Executive Director, Barbara Knoflach took over the position of Chair of the Nomination and Remuneration temporarily.

Meetings in 2023

The Nomination and Remuneration Committee met six times during 2023. All meetings were attended by both members.

On 22 February, the 2023 short-term incentives for the CFO were discussed.

On 2 March, the 2023 base salaries of the Executive Directors, the 2023 long-term incentives for the CFO, and the draft Remuneration Report were discussed.

ESRS 2 GOV-3-29, ESRS E1-GOV-3-13

On 10 May, evaluation of the Remuneration Policy, the skills of the Non-Executive Directors, and the method for self-evaluation of the Board of Directors were discussed. Succession planning in general as well as the short-term and long-term incentives for the CFO were discussed.

Out of the sustainability-related performance targets of the Executive Directors there is no target that specifically relates to green house gas emissions.

On 9 August, the Remuneration Policy was evaluated. Succession planning and the composition and profile of the Non-Executive Directors were discussed. The diversity and inclusion questionnaire and the definition of Senior Management were discussed. A mid-year update on the fulfilment of the 2023 short-term incentives was provided.

On 8 November, a draft for a new Remuneration Policy and benchmark, including reference companies for the peer groups, were discussed. Market trends relating to remuneration were discussed, and the retirement schedule for the Non-Executive Directors was discussed. An inventory of training sessions for 2024 was made and the gender diversity status within CTP was discussed. The charter of the Nominations and Remuneration Committee was evaluated.

When deemed necessary, the committee consulted outside experts for advice.

On 21 December, CTP's standing diversity policy was evaluated. A proposal to the Board for the 2024 incentives of the Executive Directors and their base salary and the possible outcome of the 2023 incentives based on preliminary numbers and data were discussed.

SUSTAINABILITY COMMITTEE

The duties of the Sustainability Committee include, amongst others, advising the Board on a sustainable long-term vision, strategy and targets, monitoring of the sustainability initiatives and targets, overseeing of the overall climate risks and their consideration in the internal risk management and control systems, and all matters of corporate responsibility. The Sustainability Committee ensures that sustainability matters that are important for CTP in general are tabled in the Board. In this process the Group Head of ESG Management is important, as he provides bottom-up information on the topics to be tabled and that the appropriate risk assessments are made. The accessibility of sustainability-related expertise and know-how is ensured by the presence of Susanne Eickermann-Riepe.

The Sustainability Committee advises the Audit Committee on sustainability reporting. The members are Susanne Eickermann-Riepe (Chair) and Barbara Knoflach (member).

CTP is in the process of gathering more knowledge on ESG-related risks and opportunities. In weighing business risks, the ESG component is valued and the expectation is that this process will mature over time.

Meetings in 2023

The Sustainability Committee was established on 8 November 2022 and met five times in 2023, in which both members attended all meetings. At its meeting on 19 January, the committee discussed the draft Sustainability Report; at its meeting on 2 March, the committee discussed the ESG strategy, mid-term ESG KPI's, ratings and policies, ESG reporting and innovation. At its meeting on 10 May, the committee discussed ESG ratings and the draft Sustainability Report. At its meeting on 9 August, the committee discussed the ESG strategy, update on ratings and policy, data gathering and innovation. At its meeting on 8 November, the committee discussed an amendment to its standing charter to better reflect its role as advisor to the Audit Committee, ESG reporting and an update on ratings and policies.

The Sustainability Committee forms an opinion on the topics it wants to address in its meetings or outside of its meetings—through discussion between the Chair of the Sustainability Committee and the Group Head of ESG Management—to enhance an ESG mindset within CTP. As evidenced from the above, the focus is on GRESB and SBTi benchmarks and on formulating a pathway to establish CTP within these benchmarks as an ESG leader.

5.2.3 2023 Remuneration Report

GRI 2-19, GRI 2-20

In compliance with Article 2:135b of the Dutch Civil Code, the European Shareholder Rights Directive (SRD II) and the Code, this 2023 Remuneration Report is split into two separate sections, containing:

- the Remuneration Policy section describing the overall approach to remuneration, and in particular, setting out the fixed and variable pay components of the Executive Directors and the fixed pay components of the Non-Executive Directors, including the background reflecting on the internal and external context surrounding remuneration outcomes for the reporting year; and
- a section on the implementation of the Remuneration Policy during the reporting year.

A copy of the separate Remuneration Report is e published on CTP's corporate website.

Overview of CTP's Remuneration Policy

The Remuneration Policy for the Executive Directors and the Non-Executive Directors of CTP N.V. was adopted by the AGM on 25 March 2021 (the "Remuneration Policy"). Remuneration Reports are drafted annually since 29 March 2021, when CTP became a listed company. Consequently, this report provides for comparable figures available as from 29 March 2021.

The design and implementation of CTP's Remuneration Policy have been drafted to follow all applicable laws and corporate governance requirements. Decisions related to remuneration are made in the context of CTP's values, purpose and strategy.

Remuneration Policy changes are subject to shareholder approval. During 2023, the current Remuneration Policy was evaluated and the proposed changes have been included in an updated Remuneration Policy, which will be put to a shareholder vote in the AGM on 23 April 2024.

Furthermore, for voting rights exercised on remuneration-related items, CTP undertakes to actively engage with dissenting shareholders to address all legitimate and reasonable objections and/or concerns. CTP invites its shareholders to engage with it regarding the Remuneration Policy and reporting. During the AGM on 25 April 2023, there were no questions regarding the Remuneration Report for 2022, and 92.6% of the shareholders voted in favour of the report.

Philosophy and principles

CTP's remuneration philosophy aligns with the way the Company operates and helps CTP to grow its business and to grow the businesses of its clients. CTP is outcome-focused, performance-driven and rewards fairly and competitively with a focus on long-term value creation while supporting the ownership mentality and spirit of entrepreneurship in its teams in all its operating locations. CTP places an emphasis on variable remuneration to reflect its highly performance-orientated and entrepreneurial culture, its growth ambitions, and to ensure alignment with the expectations of shareholders.

The six principles that guide CTP's approach to remuneration are:

1. remuneration should focus on long-term value creation for and be clearly linked to the delivery of superior and sustainable corporate results in line with CTP's strategy;
2. remuneration outcomes should mirror the shareholder and wider stakeholder experience over the long term and be aligned with CTP's long-term strategy and established risk appetite;
3. remuneration should be fair and competitive against companies of a similar size, scope and complexity, with a strong emphasis on variable pay to reflect CTP's high-performance culture but at the same time not paying more than necessary;
4. remuneration should be simple and transparent in terms of design and communication to internal and external stakeholders;
5. remuneration should adhere to the principles of good corporate governance practice in line with the Code and Dutch law; and
6. remuneration frameworks should be sufficiently flexible to take into account changing business priorities over time.

In line with CTP's remuneration philosophy and principles, its Remuneration Policy is to target base salary levels around the lower quartile of the peer group and total direct compensation levels (the sum of base salary, annual bonus and long-term incentive) around the upper quartile of the peer group. Again, this positioning policy reflects CTP's performance-based culture with highly competitive levels of reward only being earned if outstanding performance is delivered.

Benchmarking and peer group

CTP's remuneration should be fair and competitive against companies of a similar size, scope, and complexity. The reference points used to define market peers in terms of remuneration are Dutch-listed companies that are of a similar size and complexity to CTP and where appropriate, sector comparisons, i.e., European real estate and logistics businesses. To ensure a balanced approach to benchmarking, remuneration levels of Dutch-listed companies within a reasonable range of CTP's market capitalisation will be considered. This may comprise both Euronext AEX and AMX companies. CTP continuously reviews the market reference points used for benchmarking purposes as the Company grows.

Looking back

2023 was marked by central banks, both in G-10 countries and in emerging markets, raising rates to levels not seen in over 20 years in order to bring the elevated inflation under control. This had a material impact on the real estate sector, which is by nature capital intensive, leading to material higher financing cost, lower valuations and a more limited number of transactions. Central banks are expected to have reached their terminal rates during the 2nd half of 2023, and the market prices in significant rates cuts for 2024, as inflation has moderated.

Looking ahead
Starting in September 2023 the Nomination and Remuneration Committee carried out a review of the Remuneration Policy. Dutch law required the renewal of CTP's policy at least every four years, but to be more in tune with the market and with developments and trends, CTP has decided to renew three years after the policy was adopted, which was at the time of CTP's IPO on Euronext Amsterdam. CTP considers this a good opportunity to review how the policy compares to market practice and to ensure compliance with updated regulatory and corporate governance requirements. The Group engaged with stakeholders through a dedicated number of sounding meetings, to solicit their feedback on, and support for, its proposals. This process resulted in the proposal to adopt an amended Remuneration Policy for the Executive Directors and Non-Executive Directors, respectively, that will be submitted for adoption at the upcoming AGM on 23 April 2024. Upon convocation of the AGM, the proposal will be published on CTP's website and the main changes following from these proposals, compared to the current Remuneration Policy, as well as other relevant information, will be explained in the explanatory notes to the relevant agenda items.

Engaging with stakeholders
CTP engages openly with its shareholders and institutional investors on their input regarding CTP's Remuneration Policy and the implementation thereof. Taking this input into account alongside the input from CTP's other stakeholders allows the Company to make informed decisions going forward and to remain impactful on all fronts.

Remuneration of the Executive Directors – total direct remuneration
The total direct remuneration of the Executive Directors consists of four components:
- fixed annual base salary;
- benefits;
- an annual cash incentive; and
- long-term share-based incentives.

The total direct remuneration mix at target and maximum performance for the CEO and CFO is as follows:
Fig. 5.1 Fig. 5.2 Fig. 5.3.

CTP's CEO, Mr. Vos, has a substantial shareholding in the Company, meaning there is already a clear alignment between his interests and the Company's performance and long-term value creation. Therefore, there are elements of the Remuneration Policy in which Mr. Vos currently does

FIG. 5.1 CEO: AT TARGET AND MAXIMUM PERFORMANCE (in %)

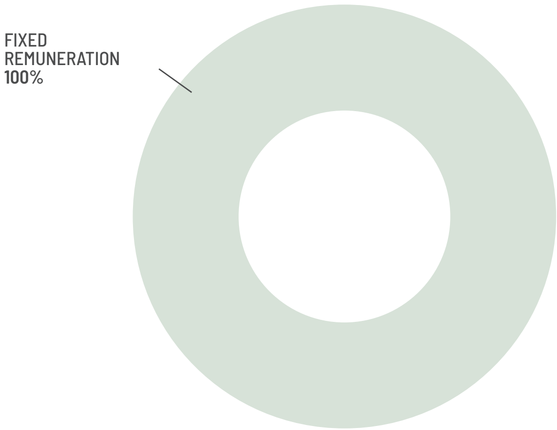


FIG. 5.2 CFO: AT TARGET PERFORMANCE (in %)

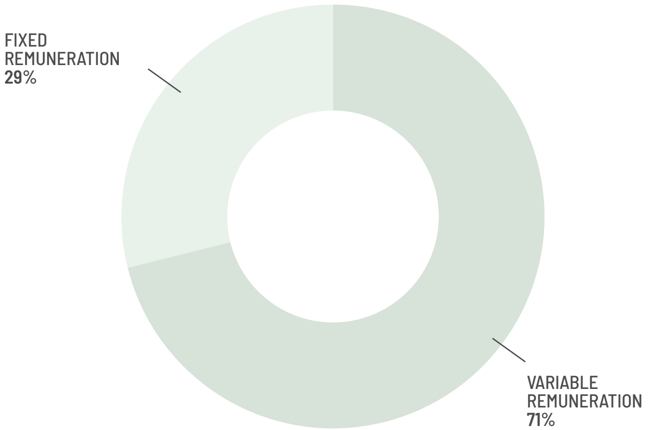
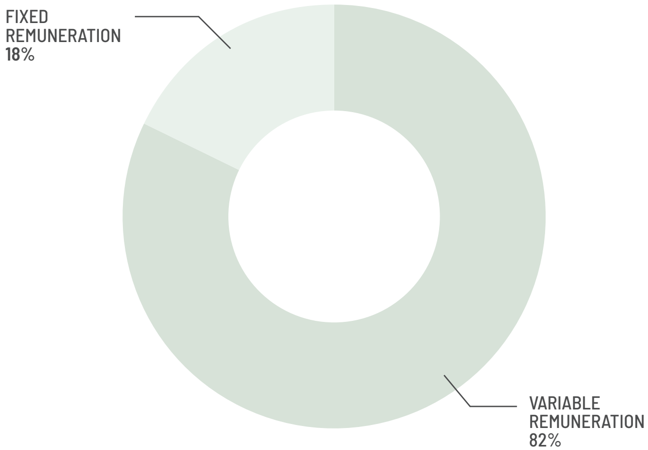


FIG. 5.3 CFO: MAXIMUM PERFORMANCE (in %)



not participate, namely variable remuneration. While not receiving variable remuneration, the short- and long-term target setting of the Company based on CTP's strategy is applicable to the Executive Board, and this target setting is therefore also applicable to CTP's CEO.

Scenario analyses under different performance outcomes are carried out annually.

Fixed annual base salary

The fixed annual base salary is based on seniority and experience, reflecting the nature of the role and responsibilities, while considering relevant benchmarks. The base salary of the Executive Directors is currently set around the lower quartile of the peer group. Salaries are reviewed and approved by the Board on an annual basis, or when there is a change in role and responsibility.

Benefits

Executive Directors do not participate in a pension plan; however, they are entitled to receive market-standard benefits that could include: health insurance, life insurance, housing/car allowance, use of a company car, travel allowance, and workers' compensation for illness. Additional benefits may be considered as required, subject to business needs.

Annual cash incentive

The purpose of the annual cash incentive is to drive the achievement of annual performance targets supporting CTP's shorter-term strategic goals. The Executive Directors are eligible for an "at target" annual bonus of 150% of the base salary and the maximum bonus for outstanding performance is capped at two times the target amount, equal to 300% of base salary.

Performance measures are based on key performance indicators that relate to CTP's strategy and business priorities for the year ahead:

- Financial measures could include cashflow, EBITDA, profit, gross lettable area, gross rental income, occupancy rate, rental collection, weighted average unexpired lease term (WAULT) and other similar financial measures; and
- Non-financial measures could relate to environmental, social and governance targets, sustainability targets, corporate social responsibility targets and specific strategic milestones as considered appropriate by the Non-Executive Directors.

For the annual cash incentive, 70% of the performance measures are financial in nature and 30% are non-financial. The chosen performance measures have challenging yet realistic targets to encourage achievement in a sustainable manner. At the Non-Executive Directors' discretion, a portion of the annual cash incentive could be deferred into shares using the deferred incentive plan. Further information is contained beneath the heading "Deferred Incentive Plan".

Long-term incentive plan

The purpose of the long-term incentive plan ("LTIP") is to incentivise the achievement of long-term sustainable shareholder returns and the delivery of CTP's long-term strategy.

Under the LTIP, the Executive Directors may receive an annual award for shares, which shall normally vest after a three-year performance period, subject to the achievement of certain pre-determined corporate performance conditions, including financial and shareholder return-based measures set by the Non-Executive Directors and remaining in service. LTIP awards may be granted as nil-cost awards and may take the form of options to acquire shares, conditional rights to acquire shares or an immediate award of shares subject to restrictions. No payment is required for the grant of an LTIP award (unless the Non-Executive Directors determine otherwise).

LTIP awards in the form of options that have vested will normally remain exercisable for a period determined at granting, which shall not exceed ten years from granting.

The LTIP award opportunity is set at 100% of the base salary for delivering "at target" performance. The maximum number of shares that can be delivered under the LTIP award for delivering outstanding performance is 1.5 times the number of shares granted (i.e., 150% of the LTIP award shares granted). Therefore, the maximum LTIP award opportunity is equal to 150% of base salary at granting and no vesting will occur for below-threshold performance. The LTIP award level reflects CTP's high-performance culture and is in line with the principle that a greater portion of total remuneration should be based on variable remuneration. In line with the Code and unless the Non-Executive Directors determine otherwise, LTIP awards granted to Executive Directors will be subject to a holding period of at least two years following vesting. During this period, sale of the shares is restricted, although shares may be sold to cover taxes due because of vesting.

Each financial year the Non-Executive Directors will determine the most appropriate performance conditions for the LTIP award. Performance measures will be selected considering CTP's long-term business strategy and will relate to pre-determined corporate performance conditions, including financial and shareholder return-based measures.

The performance measures and targets for the LTIP award were approved by the Non-Executive Directors. The core performance measure that was assessed under the LTIP is total shareholder return ("TSR"). TSR reflects the return received by a shareholder and captures both the change in the share price and the value of dividend income, assuming dividends are reinvested. TSR is an appropriate measure, as it objectively measures CTP's financial performance and assesses long-term value creation for shareholders. LTIP awards will be subject to relative TSR and absolute TSR measures (both equally weighted at 50% each):

- a relative measure allows an assessment of the outperformance delivered by CTP compared to other companies. For this purpose, relative performance is measured against an appropriate European real estate index; and
- absolute TSR will ensure that Executive Directors remain focused on CTP's own performance by requiring growth in TSR over the measurement period, irrespective of market performance.

During the period of the Remuneration Policy and in the context of CTP's long-term business strategy, the Non-Executive Directors will review performance conditions for each grant under the LTIP, in terms of the measures themselves, the ranges of targets, and weightings applied to each element of the LTIP.

Deferred incentive plan

The deferred incentive plan ("DIP") is a discretionary plan that may operate with one or more incentive plans operated by CTP and provides a mechanism for the deferral of part of a participant's incentive into a deferred award of cash and/or a deferred award of shares ("DIP award"). The Non-Executive Directors, in circumstances they consider appropriate, may determine that Executive Directors are eligible for selection to participate in the DIP. The Non-Executive Directors reserve the right to defer a part of the annual cash bonus into shares in circumstances they consider appropriate. Deferral of shares would be under the terms of the DIP and therefore Executive Directors may receive DIP awards which are granted over shares. DIP awards that are granted over shares may be granted as nil-cost awards and may take the form of options to acquire shares, conditional rights to acquire shares or an immediate award of shares subject to restrictions. In line with the Code and unless the Non-Executive Directors determine otherwise, DIP awards over shares will be subject to a five-year holding period following the award date. During this period, the sale of the shares is restricted, although shares may be sold to cover taxes due because of vesting.

DIP awards are forfeited by Executive Directors who leave CTP unless and to the extent the Non-Executive Directors otherwise determine. DIP awards may vest early on certain corporate events and may be varied on variations of the Company's share capital and certain corporate events. DIP awards may also entitle participants to dividend equivalents paid in cash or shares.

The total number of shares that may be newly issued or transferred from treasury in satisfaction of awards under the LTIP and the DIP may in aggregate not exceed 5% of the Company's issued and outstanding share capital from time to time. To mitigate dilution, the Company may repurchase shares to cover DIP Awards granted in the form of shares.

Minimum shareholding requirements

Executive Directors are encouraged to build or maintain (as appropriate) a minimum shareholding equivalent to 250% of their base salary over five years. Shares included in this calculation are any shares beneficially owned and any vested shares under the LTIP. Given Mr. Vos' substantial shareholding in the Company, he already meets this requirement. The Non-Executive Directors may use their discretionary judgement to allow for a temporary deviation of this guideline in circumstances they consider to be appropriate, for example, in the case of new joiners. For the avoidance of doubt, in case of any shortfall under the share ownership requirement, Executive Directors will not be required to purchase shares from their own funds to satisfy the requirement.

Risk mitigation

Based on predefined trigger events, malus and claw back provisions may be applied to paid-out annual cash incentives as well as long-term share-based incentives.

Malus
The Non-Executive Directors, acting fairly and responsibly, may determine that the value of variable remuneration as granted would produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been applied. In such circumstances and prior to vesting, variable remuneration can be cancelled or reduced.

Claw back
Upon discovery that variable remuneration has been awarded based on incorrect financial or other data ("trigger event"), the Non-Executive Directors, acting fairly and responsibly, may recover such variable remuneration in part or in full. The claw back period is three years following the discovery of such a trigger event and applies during the holding period.

Executive service agreements
Executive service agreements are either for a permanent and indefinite period or a fixed-term period. Either way, a three-month notice period applies to executive service agreements.

Severance provisions
In the event of termination of employment, compensation is provided for the loss of income of up to six months of gross base salary in addition to a three-month notice period.

Loans
At the end of 2023, no loans, advances, or guarantees were outstanding to the Executive Directors.

REMUNERATION OF THE NON-EXECUTIVE DIRECTORS

Fee structure of the Non-Executive Directors
Non-Executive Directors receive an annual fixed base fee independent of the share price and performance of the Company and it is delivered in cash. The base fee is based on the ongoing nature of the responsibilities of the Non-Executive Directors as an independent body for effective control of the Company.

In addition to a base fee, the Non-Executive Directors also receive committee fees and reimbursement of reasonable expenses contingent upon their activities and responsibilities (see Table 6). All remuneration is denominated and delivered in euros. Currency conversion risks are not covered by the Company.

Non-Executive Directors do not qualify for or receive any equity in terms of the Company's variable pay incentive schemes, and they do not qualify to participate in any benefit program, e.g., pension benefits or arrangements, loan programs, etc.

Reimbursements
Non-Executive Directors are eligible to receive reimbursement of reasonable expenses incurred undertaking their duties. Non-Executive Directors are not entitled to any other compensation in relation to their duties. In particular, Non-Executive Directors do not accrue any pension benefits or receive any pension compensation. The Company does not operate a stock-option scheme.

Tenure
All Non-Executive Directors are subject to retirement and re-election by shareholders every three years, and the re-appointment of Non-Executive Directors is not automatic. During the tenure, annual self-evaluations are done by the Non-Executive Directors and their sub-committees.

Loans
At the end of 2023, no loans, advances, or guarantees were outstanding to the Non-Executive Directors.

Table 6 shows the remuneration of the Non-Executive Directors in 2023. Mr. Pavel Trenka stepped down as Chair of the Nomination and Remuneration Committee on 26 April 2023 and stayed on as a member. While CTP is looking for a new suitable non-executive member of the Board of Directors, Ms. Barbara Knoflach takes over the position of Chair of the Nomination and Remuneration Committee.

Mr. Pavel Trenka has waived his fees as of 1 July 2023. He does receive reimbursement of expenses incurred.

TABLE 1 COMPENSATION OF NON-EXECUTIVE DIRECTORS

Role	Fee (€)
Annual fixed base fees	
Senior Independent Director	150,000
Member of the non-excecutive directors	75,000
Committee fees	
Chair of the Audit Committee	20,000
Member of the Audit Committee	15,000
Chair of the Nomination and Remuneration Committee	15,000
Member of the Nomination and Remuneration Committee	10,000
Chair of the Chair Sustainability Committee	15,000
Member of the Sustainability Committee	10,000

2023 REMUNERATION OUTCOMES

Remuneration at a glance

The remuneration of the Executive Directors is determined by the Board, following a recommendation from the Nomination and Remuneration Committee with due observance of the Remuneration Policy. It comprises the following elements:

- fixed annual base salary (see Table 2);
- benefits;
- an annual cash incentive; and
- long-term share-based incentives.

The implementation of the Remuneration Policy provides for a structure that aligns the compensation of the Executive Directors with the successful delivery of CTP's long-term strategy and shareholder value growth. When designing the Remuneration Policy, the Board considered, among others, the pay ratio between the Executive Directors pay and average employee pay. When implementing the Remuneration Policy, and, in particular, when assessing the outcomes of variable remuneration components, scenario analyses have been taken into consideration by the Non-Executive Directors.

Given the Company's performance, the Non-Executive Directors considered that the underlying performance targets set for the 2023 short-term incentive and the underlying absolute TSR performance target set for the 2021–2023 long-term shared-based incentive relating to the 2023 outcome had to be normalised (see also "Annual Cash Incentive" below). When approving these payments, which are partly in Company shares and partly in cash, the Non-Executive Directors considered whether they represented a fair reflection of the underlying performance of the business and were satisfied that they did.

Base salary

In 2023, the annual base salary of Mr. Vos and Mr. Wilkinson was as shown in Table 2.

TABLE 2 BASE SALARY

Name	Board Role	Annual Fixed Fees
Remon Vos	Chief Executive Officer	500,000
Richard Wilkinson	Chief Financial Officer	380,000

Benefits

Executive Directors receive market-standard benefits that can include: health insurance, life insurance, a housing/car allowance, use of a company car, travel allowance, laptop, iPad and mobile phone devices, and workers' compensation for illness. Additional benefits may be considered as required, subject to business needs. Mr. Wilkinson receives a housing allowance of (the local currency equivalent of) €1,500 per month. The details of the Executive Directors' emoluments accrued for or paid in the 2023 reporting year are set out in Table 8 below.

For the avoidance of doubt, no sign-on bonuses or allowances for pension were paid to the Executive Directors.

Mr. Vos holds a substantial shareholding in the Company, meaning there is already a clear alignment between his interests and the Company's performance. Therefore, Mr. Vos currently does not participate in the variable remuneration components described below. While not receiving variable remuneration, please note that the short- and long-term target setting of the Company based on CTP's strategy is applicable to the Executive Directors and is therefore also applicable to Mr. Vos.

Annual cash incentive

In 2023, the annual cash incentive pay-out for the Executive Directors was dependent on the performance against the following pre-determined performance measures:

- Growth in completed new GLA;
- Company Specific Adjusted EPRA EPS;
- Loan-to-value; and
- ESG environmental index.

The Non-Executive Directors have reviewed the actual performance of the Executive Directors against the set of performance targets to determine the extent to which the targets have been achieved. The annual cash incentive pay-out is 150% of the base salary based on an "at target" achievement of the performance conditions, and the maximum bonus for outstanding performance is capped at two times the target amount, equal to 300% of the base salary. The loan-to-value and ESG environmental index performance measures have a downside impact on the cash bonus calculation in the form of a percentage reduction, which is 10% for each key performance indicator.

The actual STI performance was assessed by the Nomination and Remuneration Committee in good faith in a reasonable manner. In this assessment, the underlying performance of the Company that was achieved over the year 2023 was satisfactory, also compared to its peers. As such, the Non-Executive Directors considered the overall performance attained and resolved to apply a test of reasonableness and normalization in determining the 2023 STI performance achieved for the GLA growth target. This was done considering the extraordinary and volatile financial year completed which was impacted by the interest rate developments in the market. The total annual cash incentive determined based on the actual performance assessment may be adjusted downwards based on the actual performance on the Loan-to-value ad the ESG environmental index performance measures. The Non-Executive DIrectors have reviewed and considered the actual performance on these targets and determined that a malus will be imposed on the calculated annual inentive for 2023. Considering that the GLA growth performance was achieved for 72% compared to the at target GLA growth (owned properties) level, this would result in a just above trheshold pay-out level. When applying the malus, this would result in just below threshold performance level. The Non-Executive Directors, however, resolved allowing a pay-out below the threshold pay-out level. This was resolved considereing the actual GLA growth performance achieved within the context of the extraordinary market developments while correcting the malus, resulting in a 52.8% pay-out f this element of the STI with a corresponding payment of EUR 130,416. The EPRA EPS performance target adjusted the malus, was achieved just above threshold levels resulting in a 64% pay-out of this element with a corresponding payment of EUR 85,120. this results in an overall 2023 STI payment of EUR 215,536 (see Table 3).

The total annual cash incentive determined based on the actual performance assessment may be adjusted downwards based on the actual performance on the loan-to-value and the ESG environmental index performance measures. The Non-Executive Directors have reviewed and considered the actual performance on these targets and determined that a downward adjustment will be imposed on the calculated annual incentive for 2023 (see Table 3).

TABLE 3 PERFORMANCE MEASURE 2023

	Weight	Vesting levels (% of base salary)	Actual performance	Vested (% of base salary)	Payout amounts Remon Vos, CEO	Richard Wilkinson, CFO
Company Specific Adjusted EPRA EPS	35%	21% - 105%	Between minimum and target	22%	-	85,120
Growth in completed new GLA [1]	65%	39% - 195%	Below minimum	34%	-	130,416
Total	**100%**	**60% - 300%**		**57%[3]**	-	**215,536**
Deferred 2021 bonus [2]					-	**447,150**
Bonus Payable					-	**662,686**

1 The performance is below minimum based on the original target or between minimum and target if compared to adjusted target. Vested (% of base salary)" is still below the minimum vesting level of 39% due to the downward adjustment of 20% (full malus of 20%). See Section 5.2.3for further explanation.

2 50% of the annual cash incentive for Mr. Wilkinson related to 2021 was deferred and subject to CTP Group achieving 10 million sqm growth in completed new GLA (owned properties) no later than 31 December 2023. Based on the actual growth in completed new GLA, the total deferred amount of EUR 447,150 will be paid to Mr. Wilkinson in the first quarter of 2024.

3 Numbers may not add up due to rounding.

Long-term incentive plan

The 2023 conditional share award made under the LTIP to Mr. Wilkinson with an award date of 11 May 2023 may vest on 11 May 2026 and is subject to continuous services and meeting the predetermined performance targets. Outstanding conditional share awards will automatically lapse upon termination of services before the end of the vesting period. The shares must be held for a minimum of two years after vesting. Mr. Vos was not entitled to receive an LTIP award during 2023.

The performance target for the LTIP award is divided into two elements:

- 50% of the award may vest depending on the Company's absolute TSR performance; and
- 50% of the award may vest depending on the Company's relative TSR performance versus the FTSE EPRA/NAREIT Developed Europe Index (see Table 4).

TABLE 4 SHARE AWARDS

	The main conditions of share award plans				2023 based on at target award levels (100%) Opening balance	During the year		Closing balance	
Name of Director, position	Performance period	Award date	Vesting Date	End of holding period	Shares outstanding 1 January 2023	Number of shares awarded	Shares vested	Shares subject to a performance condition	Shares awarded and unvested at year end
Remon Vos, CEO	N/A	-	-	-	-	-	-	-	-
Richard Wilkinson, CFO	2021 -2023	30April2021	30April2024	30April2026	27,142	-	-	27,142	27,142
Richard Wilkinson, CFO	2022 -2024	29April2022	29April2025	29April2027	27,130	-	-	27,130	27,130
Richard Wilkinson, CFO	2023 -2025	11 May 2023	11 May 2026	11 May 2028		32,442	-	32,442	32,442
					54,272	**32,442**		**86,714**	**86,714**

TABLE 5 REMUNERATION [1] AND COMPANY PERFORMANCE

	2023	% change	2022	% change	2021
Name of Executive Director, position					
Remon Vos, CEO	**595,405**	-1%	599,041	1%	591,132
Richard Wilkinson, CFO	**1,051,701**	–11%	1,187,427	5%	1,134,708
Annual remuneration of all full-time employees (excluding CEO and CFO)	**45,758,894**	22%	37,529,532	36%	27,617,160
Average FTE's of employees (excluding CEO and CFO)	**709**	23%	577	32%	438
Average total annual remuneration	**64,504**	–1%	65,043	3%	63,053
Pay ratio CEO	**9.2**	-	9.2	–2%	9.4
Pay ratio CFO	**16.3**	–11%	18.3	1%	18.0
Company Specific Adjusted EPRA EPS (€)	**0.73**	19%	0.61	26%	0.49
Gross lettable area in million SQM [2]	**11.8**	12%	10.5	38%	7.6

1 In 2023, the calculation method for the pay ratio has been adjusted in order to comply with the guidance in the revised Code. As a result, the remuneration amounts and pay ratios for previous years have also been adjusted in accordance with the new calculation method. For 2021, the fixed remuneration for the CEO and the CFO has been annualized.
2 The calculated % change in GLA from 2021 to 2022 has been updated since it was not correctly calculated in the table for 2022.

Adjustments to remuneration

In 2023, no application of the right to reclaim variable remuneration by means of either a claw back or malus within the meaning of Article 2:135 (8) of the Dutch Civil Code was applied on any kind of variable payments for any Executive Director.

Minimum shareholding requirements

The minimum shareholding requirements amounts to 250% of the base salary, built up over five years. Given Mr. Vos' substantial shareholding in the Company, he already exceeds the minimum shareholding requirement. Mr. Wilkinson did not meet the minimum shareholding requirement in 2023.

Pay ratio

Pay differentials and the Executive Directors' position within the Company have also been considered. In this respect, the internal pay ratio was also considered and discussed. Since the CEO only receives a fixed annual base salary, the pay ratio includes the CEO and the CFO. The average total annual remuneration for the reference group does not include the total annual remuneration of either the CEO or the CFO. Based on the above, in 2023 the internal pay ratio was 9.2 (9.2 for 2022 and 9.4 for 2021) for the CEO and 16.3 (18.3 for 2022 and 18.0 for 2021) for the CFO as articulated in Table 5. The decrease of the internal pay ratio for the CFO in 2023 compared to 2022 is mainly explained by higher expenses recognized in 2022 for the CFO's annual bonus plan. Due to recalculation of the numbers in the 2022 Annual Report and the 2021 Annual Report in accordance with the guidance in the current Code, the pay ratios for 2021 and 2022 are different than reported in previous years.

Non-Executive Directors' remuneration

The Non-Executive Directors' remuneration for the financial years ending after 29 March 2021, when CTP became a listed company, is presented in Table 6.

Compliance

CTP did not deviate from the Remuneration Policy for either the Executive or Non-Executive Directors.

The Company has not granted any loans, advance payments or guarantees to the Executive Directors or Non-Executive Directors.

Total remuneration

The actual cash remuneration paid and the value of the vested equity remuneration of the Executive Directors by the Company for the financial year ending 31 December 2023, is presented in Table 7.

Table 8 presents the Remuneration of the Executive Directors as recognised under IFRS by the Company for the financial year ending on 31 December 2023.

TABLE 6 REMUNERATION OF NON-EXECUTIVE DIRECTORS

	Annual fixed fees received (€)			Annual fixed fees received (€)				Total
Name of Non-Executive Director	2023	2022	Committee role	2023	2022	2023	2022	2021 [1]
Barbara Knoflach, Senior Independent Director	150,000	150,000	Chair Nomination and Remuneration Committee [2], member Sustainability Committee	23,333	10,000	173,333	160,000	121,863
Gerard van Kesteren	75,000	75,000	Chair Audit Committee	20,000	20,000	95,000	95,000	72,356
Pavel Trenka [3]	37,500	75,000	Chair Nomination and Remuneration Committee until 25 April 2023, thereafter member of same Committee	6,667	15,000	44,167	90,000	68,548
Susanne Eickermann-Riepe	75,000	75,000	Chair Sustainability Committee, member Audit Committee	30,000	15,000	105,000	90,000	68,548
Total	**337,500**	**375,000**		**80,000**	**60,000**	**417,500**	**435,000**	**331,315**

1 Recognized by the Company for remuneration to Non-Executive Directors as from 29 March 2021.
2 Ms. Knoflach became chair of the Nomination and Remuneration Committee 1 May 2023.
3 Mr. Trenka waived his remuneration as of 1 July 2023.

TABLE 7 REMUNERATION EXECUTIVE DIRECTORS

		Fixed remuneration		Variable remuneration	Extraordinary items	Total remuneration		Proportion of fixed and variable remuneration
Name of Executive Director, position	Base salary	Other benefits	STI [1]	LTIP			Fixed	Variable
Remon Vos, CEO	500,000	10,074	-	-	-	**510,074**	100%	0%
Richard Wilkinson, CFO	380,000	26,703	662,686		-	**1,069,389**	38%	62%

1 The STI amount for Mr. Wilkinson includes the amount payable related to the annual cash incentive for 2023 (€215,536) and the deferred part of the STI 2021 (€447,150) paid in 2024 (see also Footnote under Table 3).

TABLE 8 REMUNERATION OF EXECUTIVE DIRECTORS – IFRS

Name of Executive Director, position	Base salary	Social security contributions	STI [1]	LTIP	Other benefits	Total
Remon Vos, CEO	500,000	85,331	-	-	10,074	595,405
Richard Wilkinson, CFO	380,000	76,411	364,586	204,000	26,703	1,051,730
Total 2023	**880,000**	**161,773**	**364,586**	**204,000**	**36,777**	**1,647,135**
Remon Vos, CEO	500,000	83,930	-	-	15,111	599,041
Richard Wilkinson, CFO	380,000	75,674	529,050	176,000	26,703	1,187,427
Total 2022	**880,000**	**159,604**	**529,050**	**176,000**	**41,814**	**1,786,468**

1 The STI amounts recognised for Mr. Wilkinson in 2022 and 2023 include expenses recognised for the deferred part of the STI for 2021 (see also the footnote under Table 3).

5.2.4 Post-2023 events

The Executive Directors submitted the 2023 annual accounts, the Letter of the CEO and the Letter of the CFO and the responsibility statement to the Non-Executive Directors with the recommendation to CTP's shareholders to adopt the 2023 annual accounts on 23 April 2024. The annual accounts were audited by KPMG, which issued an unqualified auditor's opinion. The Board approved the accounts and signed the 2023 annual accounts on 11 March 2024.

5.3 Diversity, Code of Conduct and Compliance

5.3.1 Diversity and inclusion

CTP is committed to an inclusive culture and aims for an increase of diversity in nationality and age as well as creating and maintaining a variation in education and experience. CTP continues to strive for an adequate and balanced composition of the Board in its future appointments by considering relevant selection criteria such as executive and industry experience, skills and knowledge, personal capabilities, age, gender identity, nationality, cultural and other background qualities.

As of 1 January 2022, Dutch companies listed at Euronext Amsterdam must comply with quotas for supervisory boards, and "large" companies (in accordance with Section 2:166 of the Dutch Civil Code) must formulate targets to achieve gender-balanced boards and senior management. A company's gender-balance targets must be reported to the Dutch Social and Economic Council annually and will be included in the management report for transparency purposes.

CTP is a company listed at Euronext Amsterdam and qualifies as a large company in accordance with the Dutch Civil Code. In its Diversity and Inclusion policy CTP has included gender-balance targets for the Executive Directors that are ambitious but also realistic—given the environment that CTP operates in. The targets are formulated as follows: at least 25% of the Executive Directors jointly consist of men and at least 25% of the Executive Directors jointly consist of women. This percentage is 30% of each gender for the Non-Executive Directors. With respect to nationality, cultural and other background, the target is that a maximum of 50% of one nationality and/or cultural background will be represented on the Board.

Targets were also set for CTP's Senior Management: at least 30% of the Senior Management jointly consist of men and at least 30% jointly consist of women.

For the organisation in its entirety, CTP aspires to have a gender mix of at least 45% of either gender.

ESRS 2 GOV-1-21

The current composition of the Executive Director seats is not evenly distributed among males and females, as the current two Executive Directors are male.

Of the current four Non-Executive Directors, two are female and two are male. This is a balanced distribution of seats, and CTP remains focused on keeping this balanced distribution. The average ratio of female to male Board members is 1:2, and the percentage of independent board members is 1:2.

Of the total number of 17 Senior Management employees at year-end 2023, five are female.[1] Reasons for not achieving the target of 30% female employees within this group are that for the top positions more male than female candidates meet Company expectations. Also, the Senior Management group is small so each joiner or leaver can change the gender composition of the Senior Management group. Measures are being taken to address the divergence from CTP's objectives relating to the Senior Management. CTP as a whole had a ratio of female to male employees of roughly 46:54 at year end.

CTP's employees come, among others, from the Czech Republic, Greece, Germany, Hungary, the UK, Romania, Slovakia, Poland, Serbia, Bulgaria, Austria, the US and the Netherlands. The total workforce consists of 732 FTE's. More extensive information on the number of female and male employees throughout the year and within all functions in the Company, the age differences and other relevant information on gender can be found in Section 4.7.3.8.

There was no written plan to achieve the diversity targets for financial year 2023. Insight into the inflow, progression and retention of employees and the gender composition of the various target groups at year-end is given in Section 4.7.3.7.

ESRS 2 GOV-1-21

Within the Company there is no representation of employees or other workers.

1 The employees of CTP in a managerial position as defined in Article 2:166 of the Dutch Civil Code.

5.3.2 Compliance function

In 2023, CTP reinforced its dedication to safeguarding against risks such as financial sanctions, legal liabilities, and reputational damage. The compliance function, a pivotal aspect of CTP's business integrity, continued to evolve, reflecting the Group's commitment to ethical conduct and operational excellence.

The compliance function encompassed the development and management of comprehensive compliance and AML programs, ensuring their effective implementation across the Group. This involved training initiatives, due diligence processes, managing the Group whistleblowing and grievance mechanisms, maintaining a gifts register, and adapting to new legislative requirements. The function's reach was broad, extending its influence across all departments and countries, ensuring a cohesive and unified compliance culture.

Emphasising the importance of a continuing learning environment, the compliance function focused on enhancing awareness and understanding of compliance practices at all organisational levels. This proactive educational approach is central to embedding a compliance culture throughout CTP.

CTP is committed to further advancing its compliance capabilities, aligning with stakeholder expectations, and cementing its reputation as a leader in ethical business practices.

The Group AML Compliance Officer, with direct access to the Board of Directors and permanent access to the CFO, plays a crucial role in maintaining this standard of integrity.

The CTP Compliance Program in 2023 encompasses:

1. **Guidance framework:** CTP's Code of Conduct and compliance policies, accessible via CTP's intranet and website, serve as navigational tools for ethical business conduct. They are dynamic, adapting to business and legal landscapes and are fundamental in decision-making at all operational levels.
2. **Proactive monitoring & controls:** CTP introduced conflict-of-interest checks and a quarterly vendor risk assessment system, ensuring thorough vetting and evaluation of business relationships.
3. **Whistleblower & grievance mechanisms:** The Company maintains open communication channels for reporting and addressing compliance concerns, including ESG matters, ensuring a transparent and accountable environment.
4. **Gifts & hospitality:** CTP implemented a robust approval mechanism and a web-based tracking system for gifts and hospitality, underpinned by the Company's anti-bribery and corruption policy, to maintain ethical standards.
5. **Insider trading regulations:** CTP's Insider Trading Policy, enforced by the Group AML Compliance Officer, includes stringent regulations and educational initiatives to mitigate insider trading risks and ensure compliance with the Market Abuse Regulation.
6. **Data protection:** CTP extended its compliance program to include data protection policies, emphasising the safeguarding of personal information and IT security.

5.3.3 Code of Conduct

CTP is committed to ethical business practices, firmly opposing fraudulent behaviour. CTP enhanced its approach to compliance, not only by introducing a dedicated compliance role but also by regularly updating its Code of Conduct. CTP's goal is to operate with integrity, applying best practices across all its global operations. CTP believes in fair, honest, and transparent dealings with everyone it works with and strives to positively contribute to the communities and societies where it operates. CTP's Code of Conduct is reviewed and updated annually to ensure it remains effective and relevant.

Responsibility for upholding integrity lies with everyone at CTP. CTP has established thorough controls and procedures to ensure adherence to CTP's Code of Conduct. All staff members annually affirm their understanding and commitment to these guidelines.

The Board plays a critical role in guiding CTP's responsible business practices. They oversee the implementation of ethical, compliance, and related protocols, ensuring these align with the Group's vision and long-term goals.

The Group AML Compliance Officer is key in maintaining CTP's business conduct standards. She provides reports to the Audit Committee and Board, covering recent activities, compliance updates, and risk assessments. This facilitates informed decision-making and helps keep CTP's operations compliant and ethically sound.

Decisions, particularly those with significant impact, are made through a collaborative process involving Senior Management and the Board. This approach ensures that diverse perspectives are considered, leading to well-rounded decisions that serve the best interests of the organisation and its stakeholders.

Board members are expected to have a thorough understanding of business conduct issues. Their expertise comes from both academic knowledge and practical experience in managing ethical business operations. CTP organises regular training and workshops to keep them abreast of the latest developments in business conduct.

An accountability system is in place to maintain strong governance. If deviations from established guidelines are identified, those responsible are held accountable. This reinforces our commitment to responsible business conduct and the maintenance of high standards set by the Board and its sub-committees across the organisation.

Commitment to integrity

CTP is dedicated to upholding the highest standards of integrity and professionalism. The Group strictly prohibit any form of corruption or bribery. CTP is committed to abiding by the Group's anti-bribery and corruption policy, ensuring that all operations are in line with relevant laws and are conducted with fairness and ethical practices. In response to the evolving landscape of our construction and procurement activities, the Group is proactively enhancing its control and monitoring systems. This enables robust oversight and the prevention of any form of misconduct, demonstrating CTP´s commitment to ethical business practices.

The roles of the Board and its sub-committees in forming, monitoring, promoting, and assessing the corporate culture at CTP Group, as well as their capacity to mitigate negative impacts, maximise positive impacts, and manage related risks, are as follows:

1. **Forming corporate culture:** The Board and its sub-committees establish the strategic framework for business conduct that aligns with the Company's vision, mission, and long-term objectives. This strategic framework is fundamental in shaping the corporate culture.
2. **Monitoring and promoting corporate culture:** Regular meetings and detailed reports from the Group AML Compliance Officer to the Audit Committee and Board ensure ongoing monitoring of business conduct. This includes updates on compliance, potential risks, and recommendations for improvement.
   The active role of the Audit Committee and Board in evaluating these reports and making informed decisions promotes a culture of transparency and accountability throughout the organisation.
3. **Assessing corporate culture:** The consultative decision-making process involving Senior Management, the CEO, and key executives, in collaboration with the Board, ensures that various perspectives are considered. This comprehensive approach aids in assessing the effectiveness and alignment of the corporate culture with the Company's values and objectives.
   By assessing, monitoring and managing the values regulary they get embedded in our culture and thus benefit our long term value creation. Once a year an evaluation of effectiveness of the Code of Conduct is done in compliance with the Dutch Corporate Governance Code.
4. **Monitoring and managing related risks:** The expertise of the members of the Board and its sub-committees stemming from academic qualifications and experience in overseeing ethical and compliant operations, is crucial in identifying and managing risks.
5. **Accountability mechanism:** The accountability mechanism in place for any discrepancies or deviations from established protocols and guidelines ensures robust governance. This mechanism reinforces responsible business conduct and risk management across the organisation.

In summary, the Board and its sub-committees are deeply involved in each aspect of cultivating and maintaining a corporate culture centred around ethical business conduct. Their involvement is critical in both shaping and upholding this culture and in ensuring the organisation's capacity to manage associated risks and impacts effectively.

5.4 Governance Declarations

5.4.1 Compliance with the Dutch Corporate Governance Code 2022

CTP is subject to the Code. In 2023, improvements were made in implementing the provisions of the new Code that entered into force on 1 January 2023. Among others, a rotation schedule for the Non-Executive Directors was approved by the Board, which includes a staggered approach to re-appointments. Subject to shareholder approval of re-appointments of Non-Executive Directors at the AGM on 23 April 2024, this leads to the successful implementation a rotation schedule.

Considering the Company's specific shareholder structure, the Board remains committed to and continues to endeavour to comply with more best practice provisions than it complies with today, but it also acknowledges that some best practice provisions will not be complied with within the current shareholder structure. Deviations from the best-practice provisions are explained hereinafter. The headings refer to the Code; the explanation relates to the CTP-specific situation.

Best-practice provision 1.1.5 – Dialogue with stakeholders
CTP has currently no stakeholder dialogue policy in place as market practice is still developing. CTP envisages to remedy this deviation in the first half year of 2024 as the market standard is expected to have crystallised by then. Dialogue with stakeholders take place on a regular basis notwithstanding, thus ensuring information from stakeholders is taken into account by the management of CTP.

Best-practice provision 2.2.1 – Appointment and re-appointment periods–management board members
This provision prescribes that a managing director is appointed for a maximum period of four years. The CEO has been appointed as Executive Director and may be unlimitedly re-appointed considering his desire to continue an active role on the Board as long as possible in order to safeguard CTP's long-term value creation strategy. The CFO has been appointed for a period of three years.

Best practice provision 2.2.2 – Appointment and re-appointment periods - supervisory board members
Non-Executive Directors have been appointed for three years, which is formally not in conformity with the four years stipulated by this provision. The Board feels it is important to relate the period for re-appointment to international standards and to be able to get new views and ideas on a more regular basis. On the other hand, the Board realises that staggered terms are helpful to safeguard specific knowledge, skills, and expertise within CTP. Subject to shareholder approval at the AGM on 23 April 2024, the Board has decided to appoint Non-Executive Directors for either one, two, three or four years (including different second terms of office for possible re-appointment of Non-Executive Directors currently in office).

Best-practice provision 2.2.4 – Succession
The Non-Executive Directors discussed the succession of Executive Directors and Non-Executive Directors extensively in 2023, thereby taking into account the profile of the Non-Executive Directors. There is, however, no written plan for succession of members of the Board.

CTP currently has a retirement schedule where all four members retire simultaneously. For the period after the AGM in 2024 and subject to approval of the shareholders, the (re-)appointments will be such that they do not retire simultaneously.

Best-practice provision 2.2.5 – Duties of the selection and appointment committee
The Nomination and Remuneration Committee has not drawn up a written plan for the succession of members of the Board. However, the succession of Executive Directors and Non-Executive Directors was discussed numerous times by the Committee as well as by the Board during the year, whereby staggering and diversity requirements, expertise and expansion of resources due to the increasing complexity of the business, were tabled. The policy of the Executive Directors on the selection criteria and appointment procedures for Senior Management was not discussed by the Non-Executive Directors. Such a policy has yet to be formulated in writing within CTP.

Best-practice provision 2.3.4 – Composition of the committees
Pavel Trenka stepped down as Chair of the Nomination and Remuneration Committee on 26 April 2023 and stayed on as a member. While CTP is looking for a suitable new non-executive member of the Board, Barbara Knoflach took over the position of Chair of the Nomination and Remuneration Committee temporarily.

Best-practice provision 4.3.3 – Cancelling the binding nature of a nomination or dismissal
The general meeting of a company not having the large company regime (in Dutch: *structuurregime*) may pass a resolution to nominate or dismiss a member of its managing board or its supervisory board by an absolute majority of the votes cast. It may be provided that this majority should represent a given proportion of the issued capital, the proportion of which may not exceed one-third.

CTP deviates from this provision to the extent that in the Articles and Board Rules it is stated that if a dismissal was not proposed by the Non-Executive Directors, the General Meeting can only dismiss a Director with a two-thirds majority of the votes cast, representing more than half of the issued share capital.

Best-practice provision 5.1.4 – Composition of committees
Neither the Audit Committee nor the Remuneration Committee can be chaired by the Chairman of the Board of Directors. Pavel Trenka stepped down as Chair of the Nomination and Remuneration Committee on 26 April 2023 and stayed on as a member. While CTP is looking for a suitable new non-executive member of the Board, Barbara Knoflach took over the position of Chair of the Nomination and Remuneration Committee temporarily.

5.4.2 Decree on the Directive on Takeover Bids

Further to the Decree on the Directive on Takeover Bids (in Dutch: *Besluit artikel 10 overnamerichtlijn*), CTP is required to report on, among other things: the Company's capital structure; restrictions on voting rights and the transfer of securities; significant shareholding in CTP; the rules governing the appointment and dismissal of Directors and amendments to the Company's Articles; the powers of the Executive Directors (in particular the power to issue shares or to repurchase shares, together with the Non-Executive Directors); significant agreements to which CTP is a party and which are put into effect, changed or dissolved upon a change of control of CTP following a takeover bid; and any agreements between CTP and the Executive Directors or associates providing for compensation if their employment agreement ceases because of a takeover bid. The information required by the Decree on the Directive on Takeover Bids is included in this section of the Annual Report as well as well as in the notes to the consolidated 2023 Financial Statements.

Capital structure
CTP has one class of shares: ordinary shares with a nominal value of €0.16 each. The shares are listed on Euronext Amsterdam and the issued share capital consists of 448,182,458 shares on 31 December 2023. The rights attached to the shares into which CTP's capital is divided follow from the Articles and the Dutch Civil Code.

Limits on the transfer of shares
There are no limits on the transfer of CTP shares.

Substantial interests
Pursuant to the Dutch Financial Markets Supervision Act ("FMSA") and the Decree on Disclosure of Holdings in Issuing Institutions (in Dutch: *Besluit melding zeggenschap en kapitaalbelang in uitgevende instellingen Wft*), the Dutch Authority for the Financial Markets ("AFM") must be notified of substantial shareholdings (i.e., a threshold of 3% or more). On 31 December 2023, CTP Holding BV held 75.58% of the shares in CTP, Multivest BV held 100% of the shares in CTP Holding BV and Stichting Administratiekantoor Multivest held 100% of the shares in Multivest BV. In Stichting Administratiekantoor Multivest the person with controlling interest is Mr. Vos.

Based on the information in the AFM register on 31 December 2023, Capital Research and Management Company has a shareholding of at least 3% of the shares in CTP.

Special control rights
The shares into which CTP's equity is divided are not subject to any special control rights.

Share plans
CTP has a long-term incentive plan and a deferred incentive plan for Executive Directors.

Voting limitations
There are no voting limitations on CTP's shares.

Agreements with shareholders that can limit the transfer of shares or voting rights
There are no agreements with shareholders that can limit the transfer of shares or voting rights.

Appointment and dismissal of directors, amendments to the Articles

The provisions regarding the appointment and dismissal of Directors are available on CTP's website. The General Meeting may resolve to amend the Articles with an absolute majority of the votes cast, further to a proposal of the Board approved by a majority of the Non-Executive Directors. A proposal to amend the Articles must be stated in the notice of the AGM. A copy of the proposal containing the verbatim text of the proposed amendment must be made available to all shareholders.

Acquisition of own shares

The General Meeting may authorise the Board (i) to purchase shares in CTP's own capital, and (ii) to issue and grant rights to subscribe for shares and to limit or exclude pre-emptive rights of shareholders in the event of issuing and granting rights to subscribe for shares. Further information can be found in the Articles.

Issue of shares

At the AGM on 25 April 2023, the General Meeting authorised the Board, until 25 October 2024, (i) to issue shares or to grant rights to acquire those shares up to a maximum of 15% of the Company's share capital as per 25 April 2023, (ii) to issue shares up to the amount of shares reflected on by shareholders pursuant to an interim scrip dividend regarding the 2023 financial year, (iii) to exclude pre-emptive rights accruing to shareholders in connection with the aforementioned issuances, and (iv) to cause the Company to acquire shares in its share capital at a price of up to 110% of the opening price of the shares on the Euronext Amsterdam stock exchange during five trading days prior to the date of the acquisition, provided that the Company and its subsidiaries will not at any time hold more than 10% of the issued capital of the Company as per 25 April 2023.

Change of control arrangements

The Company is not a party to material agreements that are in any way subject to or affected by a change of control over the Company following a public offer as referred to in section 5:70 of the FMSA. There are no agreements under which CTP is liable to make any payment to directors on resignation following a public offer as referred to in Section 5:70 of the FMSA.

Special rights of control

CTP does not have any potential or existing takeover measures.

Agreements with Executive Directors or employees

A three-month notice period applies to executive service agreements. In the event of termination of employment, compensation is provided for the loss of income of up to six months' of gross base salary in addition to a three-month notice period.

Conflict of interest and related party transactions

Under the Board Rules and the Related Party Transactions Policy, conflicts of interest must be reported to the Senior Independent Director. The Senior Independent Director must report any (potential) related-party transaction related to him/her to the vice-chair. In addition, a Director must report any related-party transaction to the (other) Directors and the Company Secretary. In 2023, no such related-party transactions were reported to the Board.

The Non-Executive Directors shall determine the consequences of a (potential) conflict of interest, if any. In case of a conflict of interest, the Director concerned is not allowed to participate in discussions or vote on such matter. If one or more Directors have a conflict of interest, the resolution concerned will be voted on if (i) the transaction is entered into on terms that are customary in the market and in compliance with the laws of the relevant jurisdiction, and (ii) the resolution is taken with the consent of at least the majority of the Non-Executive Directors, if the conflict of interest is of material significance to the Company or the relevant Director.

Mr. Vos serves as CEO and Executive Director, while he is also an (indirect) majority shareholder. Accordingly, Mr. Vos may through his (indirect) vote at General Meetings of shareholders support strategies and directions that are in his best interests, which may conflict with the interests of the Company and the other shareholders.

Mr. Vos uses means of transportation provided by the Company for private purposes for which he pays a user fee.

The Group is carefully monitoring and assessing related-party transactions that are disclosed in detail in note 36 of the notes to the 2023 annual accounts.

Personal loans

Personal loans, guarantees or the like may not be granted to the Executive Directors or to the Non-Executive Directors unless they are provided (i) as part of the normal course of the Company's business (i.e., if CTP would qualify as a financial institution), (ii) on terms applicable to all Company personnel as a whole, and (iii) after approval of the Non-Executive Directors. No personal loans, guarantees or the like were granted by the Company in 2023.

5.4.3 Corporate governance statement

The Code requires Dutch companies to publish a statement concerning their approach to corporate governance and compliance with the Code. CTP adheres to the Code. The information required to be included in this corporate governance statement as described in Section 3 of the Decree on the Management Report, which is incorporated and repeated here by reference, can be found in the following sections of CTP's Annual Report:

- The information on how CTP deviates from some of the principles and best practice provisions of the Code, the reasons for the deviations, whether the deviations are of a temporary nature and when CTP intends to comply with these principles and best practice provisions, can be found in Section 5.4.1.
- The information regarding CTP's risk management and control framework relating to the financial and sustainability reporting process, as required by Section 3a sub a of the Decree on the Management Report, is in Section 5.5.
- The information regarding the functioning of CTP's General Meeting and the authority and rights of its shareholders, as required by Section 3a sub b of the Decree on the Management Report, can be found in Section 5.1.2.
- The information regarding the composition and functioning of a (two-tier) management board, supervisory board and its committees, as required by Section 3a sub c of the Decree on the Management Report, has been rephrased to fit a one-tier governance structure and can be found in Section 5.1.2.
- The information regarding CTP's diversity & inclusion policy, as required by Section 3a sub d of the Decree on the Management Report and best-practice provision 2.1.6 of the Code, can be found in Section 5.3.1.
- The information regarding the number of men and women on the Board and in the management positions below the Board, goals and plan to achieve these goals, as required by Section 3d of the Decree on the Management Report and best-practice provision 2.1.6 of the Code, can be found in Section 5.3.1.
- The information concerning the inclusion of the information required by the Decree on the Directive on Takeover Bids, as required by Section 3b of the Decree on the Management Report, can be found in Section 5.4.2.

The Board discusses annually with the Audit Committee the effectiveness of the design and operation of the internal risk management and control systems, the effectiveness of internal and external audit processes and the way material risks and uncertainties referred to in best-practice provision 1.4.3 of the Code are analysed.

The Head of Risk Management in co-operation with the Head of Internal Audit carried out an assessment of the design and effectiveness of the internal risk management and control systems covering strategic, operational, financial and sustainability reporting and compliance risks. The result was presented to the Audit Committee and to the Board, and the outcome of this assessment was that no major failings were observed in the internal risk management and control systems in the year under review, that ongoing improvements are needed, and that these will be implemented going forward.

5.4.4 Responsibility statement

In line with the Code and the FMSA, CTP has identified the main risks it faces, including financial and sustainability reporting risks. These risks can be found in Section 5.6. CTP has documented these risks and put in place a system to identify new risks as they emerge. CTP has not provided an exhaustive list of all possible risks. Furthermore, developments that are currently unknown to the Executive Directors or considered to be unlikely may change the future risk profile of CTP.

The design of CTP's internal risk management and control systems is described in Section 5.5. The objective of these systems is to manage, rather than eliminate, the risk of failure to achieve business objectives and the risk of material errors to the financial- and sustainability reporting. Accordingly, these systems can only provide reasonable, but not absolute, assurance against material losses or material errors.

CTP's Executive Directors reviewed and analysed the main strategic, operational, financial and sustainability reporting and compliance risks to which CTP is exposed and assessed the design and operating effectiveness of CTP's risk management and internal control systems in 2023. The outcome of this review and analysis was that no major failings in the internal risk management and control systems were observed during the reporting year. The outcome of this assessment was shared with the Audit Committee and the Non-Executive Directors and was discussed with CTP's internal and external auditors.

As required by best-practice provision 1.4.3 of the Code and Section 5:25c(2)(c) of the FMSA and based on the foregoing and explanations contained in Section 5.5, the Executive Directors confirm that to the best of their knowledge:

- The Annual Report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems with regard to the risks as referred to in Section 5.6, second paragraph;
- These systems provide reasonable assurance that the financial and sustainability reporting does not contain any material inaccuracies;
- Based on the current situation, it is justified that the financial and sustainability reporting is prepared on a going-concern basis;
- The Annual Report states those material risks and uncertainties that are relevant to the expectation of CTP's continuity for the period of twelve months after the preparation of the Annual Report;
- The 2023 annual accounts provide, in accordance with IFRS as adopted by the European Union, a true and fair view of the consolidated assets, liabilities, the financial position and the profit or loss of the Company and its consolidated assets/companies as at 31 December 2023, and of the 2023 consolidated income statement and cash flows of CTP;
- The Annual Report presents a true and fair view of the situation as at 31 December 2023, the state of affairs during the 2023 financial year and the related entities included in its consolidated 2023 Financial Statements, together with a description of the main risks faced by the Group.

Remon L. Vos (CEO)
Richard J. Wilkinson (CFO)
Amsterdam, 11 March 2024

5.5 Risk Management

5.5.1 CTP group approach to risk management

Exposure to risk arises in the normal course of the Company's business. The CTP Group approach to risk management focuses on the principles of identification, understanding, quantification and control of the relevant sources of risk and on supporting Senior Management in the steering of the business and the investment portfolio. The Group's Enterprise Risk Management ("ERM") framework was designed to reflect these principles.

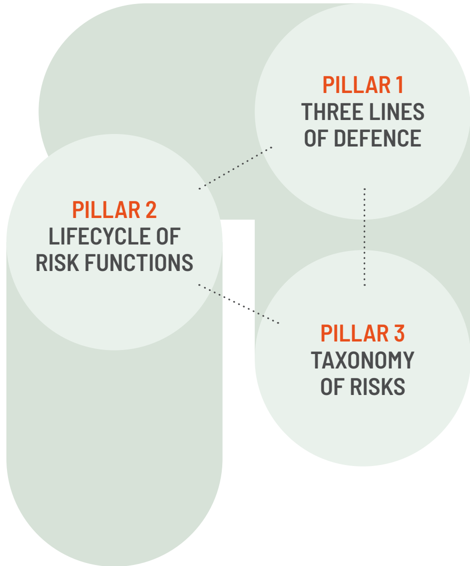
For CTP's exposure to credit risk, market risk, capital risk and liquidity risk, along with the possible impact on the Group's result and/or financial position in case of changes in assumptions, please refer to the sensitivity analysis in note 37 of the Financial Statements. Addressing climate risks is an important part of CTP's ESG strategy. It concerns physical and transitional climate risks. A description can be found in Chapter 4.

5.5.2 Risk Management Policy

CTP Group's ERM framework is documented in the Group's Risk Management Policy. This document evolves continuously and is reviewed annually by CTP's Audit Committee, in line with the Dutch Corporate Governance Code. The policy is mandatory and applies to all CTP Group entities. The approach and principles described must be followed with respect to all approvals and controls by the Executive Directors and their delegated risk owners.

5.5.3 ERM framework

CTP Group's ERM framework is an integrated, risk-based system of functions, processes and methodologies and is constructed based on three pillars:



PILLAR 1
THREE LINES OF DEFENCE

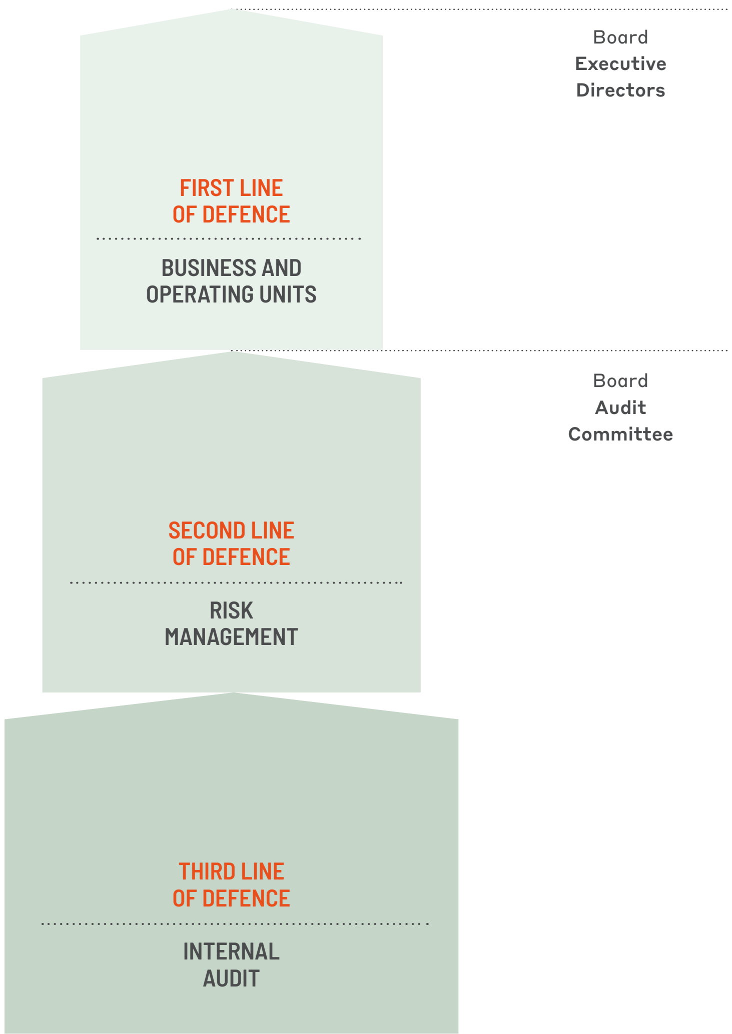
To achieve clarity of responsibilities and accountabilities, the Group has adopted the "three lines of defence" model, considered regulatory best practice. The three lines are business, risk management, and internal audit (with the supervisory functions of the Audit Committee and the Board of Directors). They work independently and sequentially to provide assurance that activities take place in line with business objectives and procedures.

Business and operating units are accountable for all risk-taking decisions within the Group. They manage and mitigate risks in compliance with CTP's risk policy requirements while operating within the risk appetite boundaries set and approved by CTP's Board of Directors.

The Risk Management department (together with Compliance) provides oversight of the risk management process and supports the Board of Directors to implement and operate the risk management process. Its role is not to manage risk, but to act as an enabler to the first line so that they can effectively manage risk.

The Internal Audit department supports the Board of Directors in providing independent, objective assurance and advice about the quality, completeness, and effectiveness of the Group's risk management framework.

THE "THREE LINES OF DEFENCE" MODEL

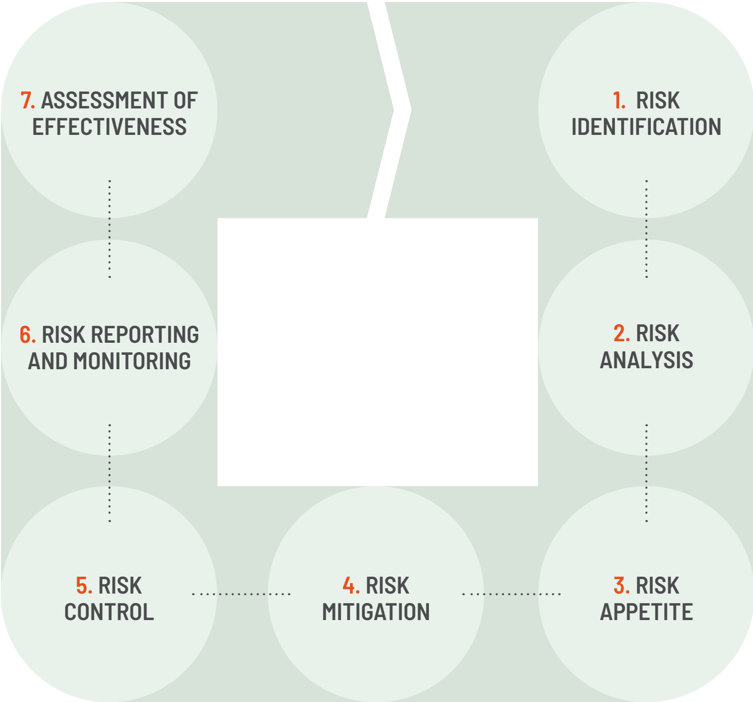


PILLAR 2
LIFECYCLE OF RISK FUNCTIONS

The Group has formulated a seven-step process that defines what actions need to be performed and when to ensure effectiveness and completeness in managing risks.

- **Risk identification** – a systematic process to identify and document the Group's principal risks.
- **Risk analysis** – identified risks are analysed, and an assessment is formed regarding their nature, impact and frequency of occurrence.
- **Risk appetite** – the amount of risk the Group is willing to accept in pursuit of its strategic objectives.
- **Risk mitigation** – the Group may choose to avoid, limit, transfer, hedge or insure its risk.
- **Risk control** – the design, implementation and maintenance of a Risk Control framework.
- **Risk reporting and monitoring** – the Board of Directors monitors the Group's exposures as part of the reporting process.
- **Assessment of effectiveness** – the lifecycle that is formed will be repeated as new risks emerge and the effectiveness of the existing controls may require improvement.

LIFECYCLE OF RISK FUNCTIONS



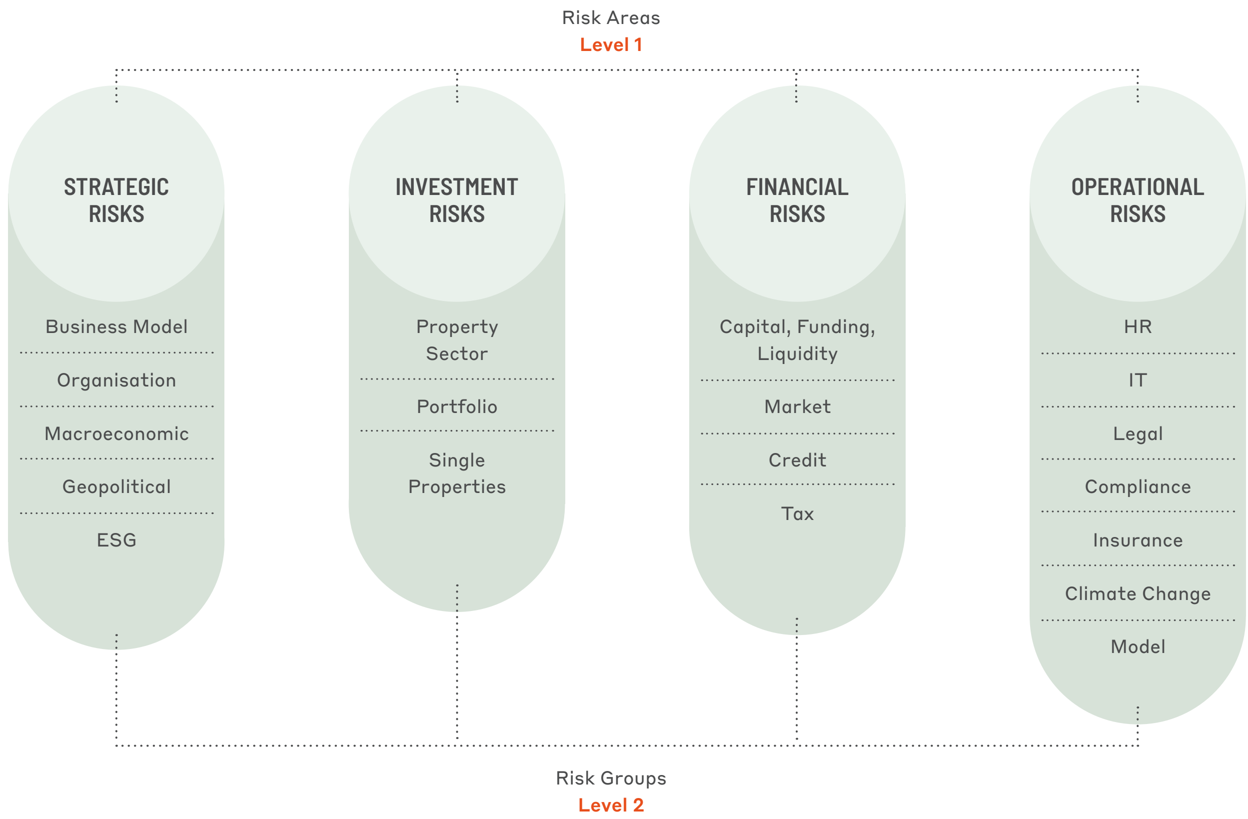
PILLAR 3
TAXONOMY OF RISKS

The risk universe was scanned to identify the unique risks that could materially impact the Group's business strategy and objectives. The various risks that the Group has identified and analysed have been organised in three layers: risk areas, risk groups, and unique risks. The 49 unique risks (Level 3) have been organised into 19 risk groups (Level 2) based on their similarity and ownership by different functions, and ultimately into four risk areas (Level 1).

- **Strategic risks** are often risks that the Group may have to take to expand and thrive in the long term.
- **Investment risks** are the Group's main business risks, which are related to the management of the portfolio of the Group's assets.
- **Financial risks** capture the risk of having inadequate access to capital, funding and liquidity along with market, credit and tax risks.
- **Operational risks** are the risks that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events, differ from expected losses.

Each risk area has been allocated to a different Executive Director (or to both Executive Directors) who is (are) the owner(s) of that risk and responsible for managing it. The responsibility for the management of each risk group has been allocated downstream to a different head of department. The reason for overlaying the risk taxonomy across the Company management structure is to ensure that integration and control happens naturally.

TAXONOMY OF RISKS



5.5.4 Implementation of the risk management process

CTP has established its Group-wide risk management system, following on from the identification, quantification, monitoring and reporting of Group risks based on the Group's Risk Policy and Inventory.

CTP's risk management system combines data from various sources on a single platform that enables monitoring and reporting of risks and identification of early warning signals.

During 2023, CTP's Risk Management department was further integrated within the Company, with participation in CFO meetings, country visits and regular meetings with the Executive Directors and Non-Executive Directors creating opportunities to discuss risks in depth. For 2024, monthly contributions to the Audit Committee and more country visits are planned.

5.5.5 Risk management system

CTP's risk management system is a single platform that enables monitoring of the Group's risk exposure and provides early warning signals through online dashboards. The use of the same financial data that is used for reporting provides an additional layer of control.

The main components of CTP's risk management system are:
- financial and non-financial data;
- risk sensitivities;
- expected losses; and
- comprehensive stress testing.

5.5.6 Internal controls

The Company has created a controlled environment with:
- centralised approvals by the Executive Directors of investments, budgets and payments, which then flow into systems with controlled access rights;
- a risk management system that is integrated into the Company's reporting ecosystem and uses the same financial data;
- consolidated Financial Statements that go through three levels of review;
- integration of the Risk Management department within the Company, with active participation in hedging, modelling, funding and liquidity management, and climate risk;
- regular risk monitoring meetings with various risk owners; and
- major ongoing digitisation and automation projects.

5.5.7 Responsibilities

- The Executive Directors, as a general principle, determine the Company's risk appetite. They approve and verify the design of the controls, approve and review the implementation of the controls as well as the maintenance thereof, and manage and mitigate the risks.
- The Risk Management department identifies the risks, assesses the risk analysis and quantification, advises on the risk appetite, implements the controls, and monitors and reports on the risks.
- Country Heads, the business and operating unit leaders and all other risk owners manage, mitigate and inform about the relevant risks.
- Internal Audit reviews each step of the process to provide independent assurance. They report to the chair of the Audit Committee and the CFO.
- The Audit Committee reviews the risk identification, provides input about the design of the control mechanisms and supervision of their maintenance, and judges and advises the Board of Directors thereon.
- The Board of Directors reviews the risk identification, approves the risk appetite, supervises the implementation and maintenance of the controls, and approves the management and mitigation of the risks as well as risk reporting.

5.5.8 Risk appetite

Risk appetite is the amount of risk that the Group is willing to accept in pursuit of its strategic objectives. The three levels of risk appetite currently used are:
- Manage – these are risks that the Group is taking to meet its investment objectives. They are mainly strategic and investment/property risks as appropriate for a real estate investment company. In this category, valuation risk, capital risk and funding risk are also included as being integral to the investment process and the property market itself. The Group has the expertise to manage these risks to maximise its profit potential.
- Avoid – these are risks that the Group tries to avoid.
- Minimise – The Group's tolerance for these risks is zero, but some minimal risk is unavoidable. All operational risks are included in this category.

5.5.9 Risk control framework

The Group's risk control function is based on a centralised framework of approvals, systems and data. It starts with central approvals of investments and budgets by the Executive Directors, which then flow into systems, and then again with the central approval of payments by the Executive Directors, creating a closed "sandbox" environment outside of which no investment or payment can be approved. The control workflow has two components: ex-ante controls are incorporated in periodic reporting and approval documentation for the risk owners to inform the Risk Management department and the Audit Committee/Board of Directors about the risks that are perceived to be most significant and the mitigation strategies that are used against them; and ex-post control, Risk Management independently aggregates all data to calculate risk measures from internal systems. This data is sourced from the same internal controlling and accounting systems that are used for financial reporting.

The Risk Management department is responsible for periodic risk reporting to the Audit Committee and the Board of Directors, thereby incorporating information from the risk owners. An online dashboard is delivered monthly for all the risks, with ad hoc updates in cases of bigger perceived macroeconomic risks.

5.5.10 Update on CTP's principal risks in 2023 and 2024

ESRS 2 GOV-5-36

Wars in Ukraine and Gaza

CTP was largely unaffected by the war in Ukraine in 2023, as it has no assets with direct exposure in Ukraine or in Russia.

CTP was also unaffected by the war in Gaza. The probability of escalation outside the region is considered to be low, and the most likely scenario is for the war to be protracted but confined.

Inflation

As energy costs have retreated in 2023 and supply disruptions have eased, inflation across Europe has been falling sharply and is now nearing central bank targets in most markets, with the largest part of the surge having subsided, although the situation could prove stickier than current market expectations.

CTP acts as a general contractor, with in-house teams taking full responsibility and control over the construction process. This, in combination with the central procurement of construction materials directly from multiple sources, often by-passing distributors, is a major mitigation factor against construction cost increases. The price of construction materials has decreased from around €550 per sqm in 2022 to €500 per sqm in 2023, increasing the Group's estimated Yield on Cost ("YoC") of projects under construction to 10.3%.

CTP also mitigates risk associated with high inflation via the use of double indexation clauses for 66% of the portfolio, which calculates annual rental increases as the higher of:

- a fixed increase of 1.5%–2.5% a year; or
- the Consumer Price Index.

In 2023, the Group achieved a like-for-like rental growth of 7.4% driven by indexation and strong rent reversion. In 2024, like-for-like rental growth is forecasted to be around 5%.

Interest rates

All debt is fixed or hedged until maturity, so financing cost increases are to a certain extent limited to the Company's debt maturities, as well as the new debt that the Group brings online for new developments.

In 2023, both G10 and emerging market central banks raised rates to levels not seen in over 20 years in order to control inflation. In expectation of these rate increases, CTP had pre-hedged in 2022 the vast majority of 2023 funding. As financial conditions have tightened significantly while inflation receded, both economic indicators and the narrative of the European Central Bank ("ECB") and the US Federal Reserve Bank have softened, with the market expecting significant rate cuts in the second half of 2024. As the hiking cycle appears to have concluded, credit spread compressed and eased interest costs.

CTP's average cost of debt stood at 1.95% at end-2023, and this is expected to continue to tick up going forward, as new funding is brought on to finance the Company's development-led growth.

Macroeconomic slowdown

2023 has been a mixed year for the Euro Area. Initially, the economy showed surprising resilience to the energy crisis, but growth has disappointed since the spring, reflecting ongoing headwinds from high energy prices, monetary tightening and weak global industrial activity. Inflation has fallen and is now close to the ECB's target with a soft landing (no major slowdown in growth or increase in unemployment). For 2024, a more supportive ECB and a stabilisation and improvement in EU growth is expected, with the possibility of a mild recession. In 2024, CEE countries are expected to continue to outperform the growth rate of the Euro Area.

Valuations

The yield expansion in 2023 in Europe is expected to be close to the end as the interest rate cycle that caused it seems to have turned. The I&L sector stands out as it is seen as one of the more supportive operational backdrops, allowing owners of I&L assets to absorb most of the yield shift without significant asset valuation write downs. There might also be support coming from the existence of large pools of capital sitting on the sidelines waiting to be deployed as price discovery advances.

CTP has a conservative reversionary valuation yield of 7.2% as at FY-2023, which increased by 80 basis points in the last 18 months. As CTP completes new developments, the revaluation related to those is booked accordingly. If CBRE's projections materialise, any further yield widening will be small and would be absorbed by further positive ERV growth on the back of continued client demand, which is positively impacted by the secular drivers in the CEE region.[1] Rental levels remain affordable despite the strong growth seen, as they started from significantly lower absolute levels than in Western European markets. Furthermore, with the larger yield movements in Western European markets, the yield differential between Central and Eastern European logistics and Western European logistics is now back to the long-term average.

Funding

During 2022 and 2023, following developments on capital markets, CTP's Board decided that bank financing was significantly more attractive than bond financing, and the Company was able to leverage its strong relationship with its banking partners to access multiple pools of capital to build a material cash position to secure funding for the development pipeline. This, in combination with the Group's robust balance sheet, ensured that in Q3 2023 both S&P and Moody's confirmed CTP's investment grade ratings with a stable outlook.

CTP's pro forma cash position including the loan facilities that were signed in January 2024 and the bond issuance is €1.4 billion, which is sufficient to meet the Group's cash needs for the next 12 months. Including the €500 million revolving credit facility, CTP's pro forma liquidity position amounts to €1.9 billion. The Group's average debt maturity stands at 5.3 years. A €400 million bond matured in November 2023 and was repaid from available cash reserves. In addition, CTP has a strong pipeline for further financing, and the Group has no material debt maturity until June 2025.

1 Europe Quarterly Forecast Webinar, 7 September 2023

5.6 Principal Risks

#1

Level 3 **Valuation Risks**

Level 2 **Market Risks**

Level 1 **Financial Risks**

Description: The Group's Financial Statements may be affected by fluctuation in the fair market value of its property portfolio as a result of revaluations, or the Group may be unable to dispose of its properties profitably. The Group may hold excess land for future development, which may not ultimately be beneficial to the Group.

Risk Owner: CFO

Estimated Impact: Material

Estimated Probability: Likely

Risk Appetite: Manage

Management & Mitigation Strategies:

- Appointment of leading international valuation experts (Cushman & Wakefield) using standardised valuation methods (RICS Red Book);
- Use of market studies, analyses and forecasts;
- Geographical diversification of the portfolio across all major CEE markets, with close ties to Western European markets;
- Significant landbank at strategic locations in proximity to the Group's investment properties complementing the existing network and supporting client demand;
- Investment strategy oriented to high-quality properties that generate stable, long-term income located at strategic locations with growth potential;
- Continuous maintenance and improvement of properties;
- Quality of the client portfolio, compromising mainly large national and international companies with low annual credit provisions.

#2

Level 3 **Macroeconomic Environment Risks**

Level 2 **Macroeconomic Environment Risks**

Level 1 **Strategic Risks**

Description: The Group is exposed to macroeconomic conditions and business-cycle risks that affect the markets in which the Group operates.

Risk Owner: CFO

Estimated Impact: Material

Estimated Probability: Possible

Risk Appetite: Manage

Management & Mitigation Strategies:

- The Group negotiates long lease terms;
- Portfolio diversification across industries and single names;
- Contracts with parent company guarantees;
- Portfolio consists of high credit quality clients, mainly large national and international companies;
- Excellent location of properties, near major cities and transport arteries;
- Constant monitoring of macro-economic trends and developments in major industries across the Group's countries of operation;
- Implemented financial hedging program;
- Experienced in-house research department supported by independent research;
- The Group receives market intelligence from investment banks;
- Experienced local presence and an extensive network of market contacts, advisors and consultants;
- New projects start as a response to demand from existing clients with whom CTP does almost two-thirds of new projects;
- If demand drops because of a slowdown, the Company can balance or adjust the completion schedule.

#3

Level 3 **Environmental Risks (Transition Risk)**

Level 2 **ESG**

Level 1 **Strategic Risks**

Description: Transition Risk (Policy and legal risk, Carbon market risk, reputation Risk).

Risk Owner: Executive Directors

Estimated Impact: Moderate

Estimated Probability: Likely

Risk Appetite: Manage

Management & Mitigation Strategies:

- Frequently updated building specification:
  - o increased energy efficiency;
  - o renewable energy production;
  - o nature-based solutions for drought and flooding;
- In-house property management of standing assets;
- Systemised awareness training among employees;
- Physical climate risk analysis on existing portfolio and at acquisition stage;
- External disclosure;
- BREEAM certification.

#4

Level 3 **Interest Rate Risks**

Level 2 **Market Risks**

Level 1 **Financial Risks**

Description: The Group is exposed to interest rate fluctuations.

Risk Owner: CFO

Estimated Impact: Significant

Estimated Probability: Possible

Risk Appetite: Avoid

Management & Mitigation Strategies:

- All interest rate debt is fixed or hedged till maturity;
- High degree of pre-hedging future funding requirements;
- Constant monitoring of interest rate market movements.

#5

Level 3 Inflation Risks

Level 2 Market Risks

Level 1 Financial Risks

Description: The Group's business could be negatively affected by rising inflation, as some of the lease agreements the Group has entered into with its clients still contain a fixed adjustment of rent clause.

Risk Owner: CFO

Estimated Impact: Significant

Estimated Probability: Possible

Risk Appetite: Minimise

Management & Mitigation Strategies:

- The Group's largest cost is financing, which is fixed;
- Operational costs constitute less than 20% of cash income and are thus considered manageable even in times of prolonged high inflation;
- Increased construction costs are covered by the double indexation clauses (inflation adjustment with a minimum 1.5% in 66% of contracts by year-end 2023) as well as the higher rents of the new properties.

Financial Statements

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CTP N.V.
Consolidated financial statements
for the year ended 31 December 2023

CTP N.V.
Apollolaan 151
1077 AR Amsterdam
The Netherlands

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Consolidated Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR

1/2

In EUR million	Note	1.1.2023 - 31.12.2023			1.1.2022 - 31.12.2022 Restated*		
		Revenues	Attributable external expenses		Revenues	Attributable external expenses	
Rental income	8	571.9			485.0		
Service charge income	8	60.7			51.9		
Property operating expenses	10		-89.4			-84.8	
Net rental income				**543.2**			**452.1**
Hotel operating revenue	9	21.1			16.0		
Hotel operating expenses	9		-15.7			-12.3	
Net operating income from hotel operations				**5.4**			**3.7**
Income from development activities	9	20.1			36.2		
Expenses from development activities	9		-14.7			-27.1	
Net income from development activities				**5.4**			**9.1**
Total revenues		**673.8**			**589.1**		
Total attributable external expenses			**-119.8**			**-124.2**	
Gross profit				**554.0**			**464.9**
Net valuation result on investment property	**20**			**878.7**			**697.3**
Other income	11			14.1			8.2
Amortisation, depreciation and impairment	21			-12.7			-10.7
Employee benefits	12			-50.4			-43.7
Impairment of financial assets				-1.4			1.2
Other expenses	13			-58.5			-69.7
Net other income/expenses				**-108.9**			**-114.7**
Profit/loss before finance costs				**1,323.8**			**1,047.5**
Interest income				17.2			4.2
Interest expense	14			-129.0			-84.9
Other financial expenses	15			-8.5			-18.0
Other financial gains/losses	16			8.6			2.0
Net finance costs				**-111.7**			**-96.7**
Profit/loss before income tax				**1,212.1**			**950.8**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

2/2

In EUR million	Note	1.1.2023 - 31.12.2023 Revenues	Attributable external expenses		1.1.2022 - 31.12.2022 Restated* Revenues	Attributable external expenses	
Income tax expense	17			-289.5			-186.6
Profit for the period				**922.6**			**764.2**
Other comprehensive income							
Items that will never be reclassified to profit and loss							
Revaluation of PPE net of tax				10.6			-0.8
Items that are or may be reclassified to profit and loss							
Cash flow hedge - effective portion of changes in fair value net of tax	25			-23.6			23.7
Foreign currency translation differences net of tax				-2.4			-6.2
Total other comprehensive income net of tax				**-15.4**			**16.7**
Total comprehensive income for the year				**907.2**			**780.9**
Profit attributable to:							
Non-controlling interests	28			-			-2.4
Equity holders of the Company				922.6			766.6
Total comprehensive income attributable to:							
Non-controlling interests	28			-			-2.4
Equity holders of the Company				907.2			783.3
Earnings per share (EUR)							
Basic earnings per share	27			2.07			1.77
Diluted earnings per share	27			2.07			1.77

* The comparative information is restated on account of correction of errors, refer to Note 4.

The notes herein are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In EUR million	Note	31 December 2023	31 December 2022 Restated*
Assets			
Investment property	18	12,039.2	10,124.2
Investment property under development	19	1,359.6	1,193.3
Property, plant and equipment	21	233.8	168.9
Goodwill and intangible assets	22	176.5	174.6
Trade and other receivables	23	24.1	18.0
Derivative financial instruments	33	10.6	9.2
Financial investments		0.4	0.5
Long-term receivables from related parties	36	0.6	45.2
Deferred tax assets	34	14.3	17.9
Total non-current assets		**13,859.1**	**11,751.8**
Trade and other receivables	23	266.6	235.6
Short-term receivables from related parties	36	0.9	0.3
Derivative financial instruments	33	38.1	41.9
Contract assets		8.5	3.4
Current tax assets	34	9.4	6.2
Cash and cash equivalents	24	690.6	660.6
Total current assets		**1,014.1**	**948.0**
Total assets		**14,873.2**	**12,699.8**

In EUR million	Note	31 December 2023	31 December 2022 Restated*
Issued capital	25	71.7	71.1
Translation reserve	25	2.1	4.5
Share premium	25	3,037.9	3,202.5
Cash flow hedge reserve	25	0.1	23.7
Retained earnings		3,026.1	2,100.8
Revaluation reserve	25	29.0	18.4
Total equity attributable to owners of the Company		**6,166.9**	**5,421.0**
Non-controlling interest	**28**	**-**	**-**
Total equity		**6,166.9**	**5,421.0**
Liabilities			
Interest-bearing loans and borrowings from financial institutions	29	3,328.2	1,868.1
Bonds issued	30	3,571.3	3,563.8
Trade and other payables	31	147.5	104.0
Derivative financial instruments	33	10.6	2.0
Deferred tax liabilities	34	1,167.4	948.5
Total non-current liabilities		**8,225.0**	**6,486.4**
Interest-bearing loans and borrowings from financial institutions	29	50.0	24.7
Bonds issued	30	18.7	417.6
Trade and other payables	31	366.9	320.9
Short-term payables to related parties	36	0.3	-
Derivative financial instruments	33	17.0	12.7
Current tax liabilities	34	28.4	16.5
Total current liabilities		**481.3**	**792.4**
Total liabilities		**8,706.3**	**7,278.8**
Total equity and liabilities		**14,873.2**	**12,699.8**

* The comparative information is restated on account of correction of errors, refer to Note 4.

The notes herein are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR

1/2

In EUR million

1.1.2023 - 31.12.2023	Note	Issued capital	Translation reserve	Share premium	Cash flow hedge reserve	Revaluation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2023 Restated*		**71.1**	**4.5**	**3,202.5**	**23.7**	**18.4**	**2,100.8**	**5,421.0**	**-**	**5,421.0**
Comprehensive income for the period										
Profit for the period		-	-	-	-	-	922.6	922.6	-	922.6
Other comprehensive income										
Revaluation of property, plant and equipment		-	-	-	-	10.6	-	10.6	-	10.6
Cash-flow hedge	25	-	-	-	-23.6	-	-	-23.6	-	-23.6
Foreign currency translation differences		-	-2.4	-	-	-	-	-2.4	-	-2.4
Comprehensive income for the period		**-**	**-2.4**	**-**	**-23.6**	**10.6**	**922.6**	**907.2**	**-**	**907.2**
Other movements										
Dividends	25	0.6	-	-164.6	-	-	-	-164.0	-	-164.0
Share based payment	26	-	-	-	-	-	2.7	2.7	-	2.7
Total other movements		**0.6**	**-**	**-164.6**	**-**	**-**	**2.7**	**-161.3**	**-**	**-161.3**
Balance at 31 December 2023		**71.7**	**2.1**	**3,037.9**	**0.1**	**29.0**	**3,026.1**	**6,166.9**	**-**	**6,166.9**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR

2/2

1.1.2022 - 31.12.2022 Restated*	Note	Issued capital	Translation reserve	Share premium	Cash flow hedge reserve	Revaluation reserve	Retained earnings	Total equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2022		**64.1**	**10.7**	**2,662.0**	**-**	**19.2**	**1,350.9**	**4,106.9**	**-**	**4,106.9**
Comprehensive income for the period										
Profit for the period		-	-	-	-	-	794.6	794.6	1.9	796.5
Impact of correction of errors		-	-	-	-	-	-28.0	-28.0	-4.3	-32.3
Other comprehensive income										
Revaluation of Property, plant and equipment		-	-	-	-	-0.8	-	-0.8	-	-0.8
Cash-flow hedge	25	-	-	-	23.7	-	-	23.7	-	23.7
Foreign currency translation differences		-	-6.2	-	-	-	-	-6.2	-	-6.2
Comprehensive income for the period		**-**	**-6.2**	**-**	**23.7**	**-0.8**	**766.6**	**783.3**	**-2.4**	**780.9**
Other movements										
Issuance of shares related to acquisition of subsidiary with NCI	25	5.2	-	391.0	-	-	-	396.2	-	396.2
Acquisition of NCI without change in control	28	-	-	-	-	-	-	-	95.9	95.9
Issue of shares related to merger	25	1.2	-	96.6	-	-	-	97.8	-97.8	-
Impact of correction of errors		-	-	178.0	-	-	-13.4	164.6	4.3	168.9
Treasury shares	25	-	-	-0.5	-	-	-	-0.5	-	-0.5
Dividends	25	0.6	-	-124.6	-	-	-	-124.0	-	-124.0
Change of share without change of control	28	-	-	-	-	-	-2.3	-2.3	-	-2.3
Common control transactions	7	-	-	-	-	-	-1.1	-1.1	-	-1.1
Share based payment		-	-	-	-	-	0.1	0.1	-	0.1
Total other movements		**7.0**	**-**	**540.5**	**-**	**-**	**-16.7**	**530.8**	**2.4**	**533.2**
Balance at 31 December 2022		**71.1**	**4.5**	**3,202.5**	**23.7**	**18.4**	**2,100.8**	**5,421.0**	**-**	**5,421.0**

* The comparative information is restated on account of correction of errors, refer to Note 4.

The notes herein are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

OVER THE YEAR

1/2

In EUR million	Note	1.1.2023 - 31.12.2023	1.1.2022-31.12.2022 Restated*
Operating activities			
Profit for the period		922.6	764.2
Adjustments for:			
Net valuation result on investment property	20	-878.7	-697.3
Amortisation and depreciation	21	14.4	12.4
Net interest expense	14	111.8	80.7
Change in FMV of derivatives and hedge	33	1.7	-4.1
Other changes		12.5	-12.4
Change in foreign currency rates		-24.7	17.6
Income tax expense	17	289.5	186.6
		449.1	**347.7**
Decrease/(increase) in trade and other receivables and other items		-34.9	-47.8
Increase/(decrease) in trade and other payables and other items		50.4	78.4
Decrease/(increase) in contract assets		-5.1	3.6
Cash generated from operations		**10.4**	**34.2**
Interest paid	29	-116.5	-64.7
Interest received		20.4	3.8
Income taxes paid		-45.0	-30.8
Cash flows from operating activities		**318.4**	**290.2**

CONSOLIDATED STATEMENT OF CASH FLOWS

OVER THE YEAR

2/2

In EUR million	Note	1.1.2023 - 31.12.2023	1.1.2022-31.12.2022 Restated*
Investing activities			
Acquisition of investment property		-246.8	-228.3
Acquisition of PPE and intangible assets		-61.9	-43.9
Advances paid for investment property and PPE		-8.8	-6.4
Proceeds from disposal of investment property and PPE		-	11.1
Acquisition of subsidiaries, net of cash acquired	7	-58.5	-102.5
Pre-acquisition loans and borrowings provided to acquired subsidiaries	7	-39.5	-194.8
Loans and borrowings provided to related parties		-0.2	-1.8
Proceeds from loans and borrowings provided to related parties		44.0	2.4
Proceeds from loans and borrowings provided to third parties		4.1	80.2
Proceeds from disposal of subsidiaries, net of cash disposed	7	3.7	-
Development of investment property		-812.8	-870.7
Cash flows used in investing activities		**-1,176.7**	**-1,354.7**
Financing activities			
Bonds issued	29	-	733.4
Repayment of interest-bearing loans and borrowings/bonds	29	-427.9	-391.2
Proceeds from interest-bearing loans and borrowings	29	1,492.8	629.1
Repayment of loans/liabilities to related companies	29	-	-
Transaction costs related to loans and borrowings/bonds	29	-11.2	-4.8
Acquisition of NCI	28	-	-2.3
Dividends paid	29	-164.0	-124.0
Payment of lease liabilities	29	-3.6	-3.0
Cash flows from/(used in) financing activities		**886.1**	**837.2**
Cash and cash equivalents at 1 January		660.6	892.8
Net increase in cash and cash equivalents		27.8	-227.3
Change in foreign currency rates		2.2	-4.9
Cash and cash equivalents at 31 December	**24**	**690.6**	**660.6**

* The comparative information is restated on account of correction of errors, refer to Note 4.

The notes herein are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

GRI 2-1

1. GENERAL INFORMATION

Company
CTP N.V. (the Company) is a Dutch-based real estate investor and developer, which develops and leases a portfolio of properties in Western Europe and Central and Eastern Europe (CEE).

Reporting entity
These consolidated financial statements comprise the Company and its subsidiaries (collectively referred to as the "Group", "CTP Group", "CTP" and individually as "Group companies").

Refer to Notes 7 and 35 of the consolidated financial statements for a list of significant Group entities and changes to the Group in 2023 and in 2022.

Principal activities
CTP is a full-service commercial real estate developer managing and delivering custom-built, high-tech business parks mainly in CEE, the Netherlands, Austria and Germany.

Registered office
The visiting address of CTP N.V. is Apollolaan 151, 1077 AR Amsterdam, the Netherlands. The corporate seat of the Company was approved on Annual general meeting held on 26 April 2022 and changed from Utrecht to Amsterdam, the Netherlands.

RSIN number: 860528091
Registration number: 76158233

CTP N.V. was incorporated on 21 October 2019 for an unlimited period. In March 2021, the Company's shares were issued on the Amsterdam Stock Exchange (EURONEXT) and CTP has changed its legal form from B.V. to N.V.

Owners of the Company at 31 December 2023

Shareholders	Number of shares	Share in registered capital	Share in voting rights
CTP Holding B.V.	337,286,991	75.26%	75.26%
Individual shareholders	110,895,467	24.74%	24.74%
	448,182,458	100.00%	100.00%

The ultimate controlling party of the Group is Mr. Remon Vos via immediate parent company Multivest B.V.

Board of Directors at 31 December 2023

Executive Directors:	Remon L. Vos
	Richard J. Wilkinson
Non-Executive Directors:	Susanne Eickermann-Riepe
	Barbara Knoflach
	Gerard van Kesteren
	Pavel Trenka

2. GOING CONCERN

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

CTP expects to settle its current liabilities as at 31 December 2023, during the financial year 2024, as follows:

In EUR million	2023
Current liabilities as at 31 December 2023	481.3
Current assets excluding cash and cash equivalents as at 31 December 2023	323.5
Funds required in 2023 to cover the short-term liquidity need	**157.8**
Available cash as at 31 December 2023	690.6
Expected net rental income available for repayment current Interest-bearing loans and borrowings to be received in 2024	647.1
Drawdowns of loans and issuance of new bonds in 2024	690.0
Revolving facility *	-
Expected funds to be received in 2024 to cover the short-term liquidity need	**2,027.7**

* The Company has a EUR 500 million revolving credit facility (2022: EUR 400 million) for a three-year period. The Company does not expect a partial or full drawdown under this facility in 2024.

Based on cash-flow projections prepared for 2024, other development up to the date of approval of these consolidated financial statements, and the management assessment results (described above), the Directors and management of the Group have not identified going concern risks. They believe it is appropriate to prepare the consolidated financial statements on a going concern basis as at 31 December 2023, and no material uncertainty exists with respect to the going concern of the Group as at 31 December 2023.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

a) Statement of compliance
These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRSs) and with Section 2:362(9) of the Dutch Civil Code. The changes to material accounting policies are described in Note 3d.

The consolidated financial statements were authorised for issue by the Board on 11 March 2024.

b) Financial reporting and comparative period
CTP N.V. has a 12-month financial year ended on the balance sheet date of 31 December 2023 and 31 December 2022, respectively.

c) Common control transactions
There were no significant common control transactions in 2023 or in 2022. Please, refer to Note 7.

d) CTP considered the following new and amended standards in 2023
For the preparation of the consolidated financial statements of the Group, the following new or amended standards and interpretations were considered for the first time for the financial year beginning 1 January 2023. The nature and the effect of these changes are disclosed below, however the impact on Consolidated financial statements is immaterial:

- *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*: The Board has issued amendments on the application of materiality to the disclosure of accounting policies.
- *Definition of Accounting Estimates (Amendments to IAS 8)*: The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates, focusing on the definition of and clarifications on accounting estimates.
- *Deferred Tax related to Assets and Liabilities arising from single transaction (Amendment to IAS 12)*: The amendment clarifies how companies should account for deferred tax on certain transactions, e.g., leases and decommissioning provisions.
- *IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts*: IFRS 17 introduces a new measurement model for insurance contracts .
- *International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)*: IAS 12 is amended to provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to provide new disclosures to compensate for the potential loss of information resulting from the relief.

e) Standards issued but not yet effective
A number of new standards took effect from the financial years beginning after 1 January 2024, although earlier application was permitted. The Group did not adopt the new or amended standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- *Non-current liabilities with Covenants (Amendment to IAS 1)*: According the Amendment, a liability will be classified as non-current if the Company has a right to defer settlement for at least 12 months after the reporting date. This right may be subject to complying with conditions (covenants) specified in a loan arrangement. Only covenants with which a Company must comply on or before the reporting date affect the classification of a liability as current or non-current.
- *Lease liability in a Sale and Leaseback (Amendments to IAS 16)*: Amendments to IFRS 16 impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments.
- *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)*: The amendments introduce new disclosure objectives – in IAS 7 and in IFRS 7 – for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk.
- *Lack of Exchangeability (Amendments to IAS 21)*: Board (IASB) amended IAS 21 to clarify, when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability.

f) Functional and presentation currency
The presentation currency of the Group is euro (EUR), as the owners of the Company base their economic decisions on information expressed in this currency. All financial information presented in EUR is rounded to the nearest hundred thousand, unless otherwise indicated.

The Group analysed each entity level based on primary, secondary and other indicators, and concluded:

- Group entities focused on investing and development activities in specific countries ("development companies") have a functional currency in the local currency:
  - where competitive forces and regulations mainly determine the sales prices of its goods and services rendered to other companies operating 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 entities that operate industrial parks or dormant entities with future industrial parks development potential have EUR functional currency, as:
  - sales prices of services rendered to the tenants are in EUR;
  - funds from financing activities are generated in EUR;
  - activities of these companies are conducted as an extension of the reporting entity, with no significant degree of autonomy.

CTP Group's development companies are:

- CTP Invest, spol. s r.o. — functional currency Czech koruna (CZK)
- CTP Invest Poland Sp. z o.o. — functional currency Polish zloty (PLN)
- CTP Invest d.o.o. Beograd-Novi Beograd — functional currency Serbian dinar (RSD)
- CTP Management Hungary Kft. — functional currency Hungarian forint (HUF)
- CTP Invest Bucharest SRL — functional currency Romanian leu (RON)
- CTP Invest SK, spol. s r.o. — functional currency euro (EUR)
- CTP Invest EOOD — functional currency Bulgarian lev (BGN)
- CTP Invest Immobilien GmbH – functional currency euro (EUR)
- CTP Invest B.V. – functional currency euro (EUR)
- CTP Invest Germany GmbH – functional currency euro (EUR)

All other Group companies have EUR as their functional currency.

g) Basis of measurement

The Group's consolidated financial statements are prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date:

- derivative financial instruments are measured at fair value;
- investment property and investment property under development is measured at fair value;
- solar plants within property, plant and equipment are measured at fair value;
- hotels within property, plant and equipment are measured at fair value.

h) Use of estimates and judgments

The preparation of the consolidated financial statements requires 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 reasonable under the circumstances. The results of these form the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

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

Information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements, are described in the following Notes:

- 5a)iii Business combination
- 5b) Investment property
- 5c) Investment property under development
- 5d) Property, plant and equipment
- 5f) Financial instruments
- 5g) Impairment

i) Measurement of fair values

Some of the Group's 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 data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the following valuation techniques:

- 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 categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised 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 recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values is included in the following notes:

- Note 18. Investment property
- Note 19. Investment property under development
- Note 21. Property, plant and equipment
- Note 22. Goodwill and intangible assets
- Note 33. Derivative financial instruments

4. CORRECTION OF ERRORS

In 2023, based on the recommendation of the Dutch Authority for the Financial Markets ("AFM"), the Group reconsidered the acquisition of Deutsche Industrie REIT-AG ("DIR") as a transaction within the scope of IFRS 3 Business combination, rather than as an acquisition of assets.

The acquisition of 80.9% ownership interest in DIR occurred in February 2022 (for details refer to Note 7). The acquisition of DIR allows CTP to expand its network to meet growing occupier demand for urban logistics in one of Europe's strongest economies. CTP become able to offer existing and new customers access via CTP's platform to the trans-European supply chain network across markets from the Black Sea to the North Sea.

In 2022, the Group analysed the acquisition of DIR, identified inputs (investment property, liabilities) and outputs (rental income) but no substantive acquired process, and therefore the transaction was concluded as an acquisition of assets within the scope of IFRS 2. In 2023, the Group updated its analysis and identified substantive processes acquired. As a result, the acquisition of DIR was reassessed to be a business combination.

Consequently, the impact on Equity, Profit or loss, deferred tax and goodwill was recognised. Recognition of this transaction has no impact on cash and cash equivalents.

The errors have been corrected based on requirements of IAS 8 by restating each affected financial statement line item for prior periods, including all related disclosures. The following tables summarise the impacts on the Group's consolidated financial statements.

a) Consolidated statement of financial position

In EUR million	31 December 2022 as previously reported	Adjustments	31 December 2022 Restated*	Note reference
Goodwill and Intangible assets	3.5	171.1	174.6	Note 22
Others	12,525.2	-	12,525.2	n/a
Total assets	**12,528.7**	**171.1**	**12,699.8**	**n/a**
Deferred tax liability	913.9	34.6	948.5	Note 34
Others	6,330.3	-	6,330.3	n/a
Total liabilities	**7,244.2**	**34.6**	**7,278.8**	**n/a**
Result for the year	794.6	-28.0	766.6	n/a
Retained earnings	1,347.7	-13.5	1,334.2	Note 25
Share premium	3,024.5	178.0	3,202.5	Note 25
Others	117.7	-	117.7	n/a
Total Equity	**5,284.5**	**136.5**	**5,421.0**	**n/a**

b) Consolidated statement of profit or loss and OCI

In EUR million	31 December 2022 as previously reported	Adjustments	31 December 2022 Restated*	Note reference
Net valuation result on investment property	723.6	-26.3	697.3	Note 20
Other expenses	-59.6	-10.1	-69.7	Note 13
Income tax	-190.7	4.1	-186.6	Note 17
Share on profit of NCI	-1.9	4.3	2.4	Note 28
Others	323.2	-	323.2	n/a
Profit	794.6	-28.0	766.6	n/a
Total comprehensive income	**811.3**	**-28.0**	**783.3**	**n/a**

Goodwill and an increase in Share premium were recognised in the consolidated statement of financial position.

Originally the deferred tax, which arose at the time of the acquisition, have decreased the value of investment property acquired in line with accounting for an asset deal, following the requirements of IAS 12. In 2023, after reconsideration of the transaction, the deferred tax liability was recognised instead. As a result, a valuation loss and the related deferred tax were booked in the restated profit or loss in 2022.

Acquisition-related costs were fully released from the value of financial investment to other expenses with an impact of EUR 10.1 million. Hence, all acquisition-related costs have been accounted as expense in 2022 and recognized as part of Other expenses.

The adjustments above also impacted the non-controlling interest.

Impact of the restatement on earnings per share resulted in a change from EUR 1.83 per share to EUR 1.77 per share. The impact on the diluted earnings per share is the same.

No significant impact due to the restatement was recognised on the total operating, investing, or financing cash flow for the years ended 31 December 2023 and 2022.

5. MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

In addition, the Group adopted Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice statement 2) from 1 January 2023. The amendments require the disclosure of material rather than significant, accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, only the information disclosed.

a) Basis of consolidation

i. 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 to obtain benefits from its activities. In assessing control, potential voting rights that are exercisable or convertible are considered. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. If necessary, subsidiary accounting policies are changed to align with policies adopted by the Group.

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

ii. Acquisition of business from companies under common control

A business combination involving entities or businesses under common control is when all 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 recognised at the carrying amounts in the financial statements of the entities acquired. Any difference between consideration paid and the net book value of assets and liabilities acquired is recognised directly in the equity. In the absence of more specific guidance, the Group consistently applies the book value method to account for all common control transactions.

The assets and liabilities of the entities, and their income and expenses, for the period in which the common control transaction has occurred and for the comparative period disclosed, are included in the Group's financial statements as if the common control transaction took place at the beginning of the comparative period.

iii. 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 annually and if events or changes in circumstances indicate that it might be impaired 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 recognised immediately in the consolidated statement of profit or loss and other comprehensive income.

Acquisition-related costs incurred in process of business combinations are expensed in the periods in which the costs are incurred and the services are received.

The Group applies recognition exemption of deferred tax that arises from the initial recognition of an asset or liability in a transaction that is not a business combination.

Deferred tax from subsequent asset revaluation is recognised in the consolidated financial statements.

iv. Acquisition of assets via share-based payment

Transaction, where the Group acquires assets in exchange for its shares, is in scope of standard IFRS 2 Share-based payments. Assets received, and the corresponding increase in equity, are measured at the fair value of assets received. That fair value is measured at the date the entity obtains the assets.

v. Non-controlling interest

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

vi. 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, such interest is measured at fair value at the date that control is lost.

vii. 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.

viii. Asset acquisition
Asset acquisitions are the acquisitions of an asset or a group of assets (and liabilities) that do not constitute a business. The Group identifies and recognises individual identifiable assets acquired and liabilities assumed and allocates the cost of the group of the individual identifiable assets and liabilities, based on their relative fair values at the date of the acquisition.

ix. Transactions eliminated on consolidation level
Intra-Group balances, and any gains and losses or income and expenses arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements of the Group.

b) Investment property
Investment properties are those held to earn rental income, capital appreciation, or both. Investment property is initially measured at cost and subsequently at fair value, with any change 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 recognised in profit or loss. An external, independent professional valuer values the investment property portfolio at least annually. The independent valuation report was obtained as at 31 December 2023 and was incorporated into the Group's IFRS consolidated financial statements. 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 the Group's investment properties is categorised as Level 3 fair value.

Investment properties comprise of buildings and related land and landbank for future development.

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

The independent valuation report was obtained as at 31 December 2023. The value of investment property under development was determined by an external, independent professional property valuer. Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.
Borrowing costs are not capitalised to the value of investment property under development, as almost all development projects are finished within 12 months.

The fair value measurement for all investment properties under development is categorised as Level 3 fair value.

d) Property, plant and equipment

(i) Revaluation model
Solar plants, which are completed solar plants that are generating income, and hotels, which represent a minority of the Group's property portfolio, are classified under property, plant and equipment at revalued amounts, being the fair value at the reporting date. Any gain or loss arising on re-measurement of the Group's solar plants and hotels is treated as a revaluation, with any gain recorded as part of other comprehensive income, except to the extent that it reverses a previous impairment on the same property, in which case it is recorded in profit or loss. A loss is an expense in profit or loss to the extent to which it is higher than previously recognised revaluation surplus.

An external, independent valuer with appropriately recognised professional qualifications and recent experience in the location and category of the solar plant and hotel being valued, values the portfolio of solar plants and hotels at least annually.

Depreciation of the solar plants is recognised into profit or loss on a straight-line basis over the estimated useful life of 25-30 years.

Depreciation of the hotels is recognised into profit or loss on a straight-line basis over the estimated useful life of 40 years.

(ii) Cost model
All other buildings, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (see Note 5g). 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 recognises 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 replaced item is derecognised. All other costs are in the statement of comprehensive income as incurred.

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

The Group recognises as part of Property, plant and equipment acquired forests. Forests are considered as bearing plant and are initially measured at cost. Subsequently they are measured at cost less impairment losses.

(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 from this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in Other Comprehensive Income ("OCI") and presented in the revaluation reserve. A loss is an expense in profit or loss to the extent to which it is higher than previously recognised revaluation surplus.

e) 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 defined period, in exchange for consideration.

- **As a lessee**

At the start of a contract, or when a contract change contains a lease component, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone prices. However, for property leases, the Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Group recognises 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 such a 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 the 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 amortised cost using an effective interest method. It is remeasured when there is a 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 is 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 recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises 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, it determines 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 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 a 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 5b).

f) Financial instruments

(i) Financial assets

Initial recognition and measurement

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

The Group measures financial assets at amortised cost if both conditions below are met, and the financial asset is not designated at fair value through profit and loss:

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

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

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
  This category is most relevant to the Group and includes trade receivables and loans provided that are subsequently measured at amortised cost using the effective interest method, less any credit losses.

- Financial assets at fair value through profit and loss
  This category includes derivatives. Financial assets are classified as held for trading if they are acquired for the purposes of selling or repurchasing in the future. Financial assets at fair value through profit or loss are carried 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 when they are originated. All other financial assets are recognised initially on the trade date upon 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 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 due within one year from the reporting date.

Trade and other receivables

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

Cash and cash equivalents

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

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

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

(iii) Financial liabilities

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

(iv) Non-derivative financial liabilities

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

Non-derivative financial liabilities comprise loans and borrowings, bonds, bank overdrafts, and trade and other payables. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position 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.

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 that fulfils the following conditions:

a) its value changes in response to a 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 recognised at fair value; attributable transaction costs are recognised in profit or loss as incurred. Following initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss.

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

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

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

(vi) Cash flow hedge

The Group designates certain derivatives as hedging instruments to hedge variability in cash flows associated with highly probable forecast transaction arising from changes in interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and hedging instruments, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in Other comprehensive income accumulated in the Cash flow hedge reserve. The effective portion of changes in the fair value of the derivative that is recognised in Other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present values basis, from inception of the hedge. Any ineffective portion of changes in the fair values of the derivative is recognised immediately in profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated, or is exercised, hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the Cash flow hedge reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for the cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affects profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the Cash flow hedge reserve are immediately reclassified to profit or loss.

g) 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 recognised 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. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognised 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 recognised in profit and loss.

Impairment losses recognised 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.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(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 the 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 incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment, by grouping together receivables with similar risk characteristics.

All impairment losses in respect of financial assets are recognised in profit or loss and are only reversed if a subsequent increase in a 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 was 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 Group's statement of financial position even after 730 days of non-payment if it is probable that the loan will be sold in the near future, or significant recoveries are expected. In such case, the outstanding loan amount shall be derecognised at sale, or later, as soon as no significant recoveries are expected.

The Group allocates each financial asset's exposure to a credit risk stage based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and by applying experienced credit judgement.

i) Equity

Issued capital

Issued capital represents the amount of capital registered in the Shareholders Register and is classified as equity. External costs directly attributable to the issuance of share capital, other than upon a business combination, are shown as a deduction from the proceeds, net of tax, in equity.

Share premium

The share premium concerns income from the issuing of shares in so far as it exceeds the nominal value of the shares (above par income). Share premium is presented net of IPO costs incurred in the process of shares emission.

Translation reserve

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

Revaluation reserve

Revaluation reserve comprise revaluation of solar plants and hotels, which are classified under property, plant and equipment at revaluated amounts, being the fair value at the reporting date (refer to Note 5d).

Cash flow hedge reserve

The Group has designated certain derivatives as hedging instruments in cash flow hedge relationships. These derivatives are recognised initially at fair value and reported subsequently at fair value in the consolidated statement of financial position. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income net of tax and included within the cash flow hedge reserve in equity.

Retained earnings

Consolidated retained earnings arise from accumulation of profits and losses of the consolidated activities.

Treasury shares

Treasury shares are deducted from Equity. Gains or losses from purchase, sale, issue or cancellation are recognised in Equity and do not affect profit or loss. The par value of treasury shares purchases is debited to Share capital. When treasury shares are sold or reissued, the par value of instruments is credited to Share capital. Any premium or discount to par value is shown as an adjustment to Share premium.

i) Earnings per share

Earnings per share (EPS) is an important financial indicator that measures the Group's profitability.

Basic EPS is calculated by dividing the net profit for the period attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit for the period attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of shares that would be issued if all dilutive potential ordinary shares were converted into ordinary shares.

The denominator in the calculation of basic EPS for each period presented is the weighted average number of shares as at 31 December of the respective year.

j) Share-based payment

Under the CTP N.V. Long Term Incentive Plan ("LTIP"), CTP N.V. provides share-based benefits to Company Directors in the form of conditional share awards over the Company's ordinary shares.

The fair value of the awards granted under the LTIP is recognised as an employee benefits expense, with a corresponding increase in equity (retained earnings). The total amount to be expensed is determined by reference to the fair value of the awards granted, including the impact of any market performance conditions and non-vesting conditions. Service conditions and any non-market performance vesting conditions are considered when estimating the number of awards expected to vest.

The total expense is recognised over the vesting period, which is the period over which all specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of awards that are expected to vest, based on the service conditions and the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

k) Government Grants

The Group recognises government grants related to acquisition of solar plants. Grants are presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset. The grant is recognised in profit and loss over the life of a depreciable assets as a reduced depreciation expense.

l) Rental income and service charge income

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

Park management income (service charge) is an integral, but separately identifiable, part of rental contracts. The Group has identified that park management services are 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 recognised 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 controls the services before they are transferred to tenants and therefore that the Group acts as a principal in these arrangements.

m) Income from development activities

Revenues from customer specific fit-outs of rented facilities (development extras) are presented separately in the Statement of comprehensive income. Income from development activities includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. Income from development activities is recognised at point in time.

n) Hotel revenues

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

o) Expenses

(i) Attributable external expenses

Attributable external expenses consist of property operating expenses (including service expenses), hotel operating expenses and expenses from development activities.

(ii) Property operating expenses

Property operating expenses (including service expenses) are expensed as incurred.

(iii) Finance income / finance expenses

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- the net gain or loss on financial assets at fair value through profit or loss (other than investment property and investment property under development);
- the foreign currency gain or loss on financial assets and financial liabilities;
- the fair value loss on contingent consideration classified as a 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.

p) Income tax

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

Current tax

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

Deferred tax

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

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rate enacted or substantially enacted at the reporting date.

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

Corporate income tax rates for 2023 and 2022 were as follows:

Country	2023	2022
Austria	24.00%	25.00%
Czech Republic	19.00%	19.00%
Germany	15.83%; 29.48%	29.48%
Hungary	9.00%	9.00%
Netherlands	25.80%	25.80%
Poland	19.00%	19.00%
Romania	16.00%	16.00%
Serbia	15.00%	15.00%
Slovakia	21.00%	21.00%
Bulgaria	10.00%	10.00%
Slovenia	19.00%	19.00%

In 2023, for the purposes of deferred tax calculation was used tax rate of 21% in the Czech Republic. Tax rate of 21% will be used also for corporate income tax rate from the year 2024.

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

Deferred tax assets and liabilities are offset only if certain criteria are met.

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

q) Foreign currency transactions

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

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

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

Foreign currency differences are recognised in Other Comprehensive Income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interest (“NCI”).

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture, while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

r) Segment reporting

The Group has applied IFRS 8, “Operating Segments” to determine the number and type of operating segments. According to this standard, an operating segment is a component carrying out business operations whose operating income is evaluated regularly by the Group’s highest executive decision maker, and about which separate financial information is available.

The results of the Group are reviewed by the CEO regularly on a weekly basis, by analysing KPIs of geographical segments where the Group operates.

The Group’s operating segments were determined in connection with the nature of the business and how the operations are managed by the Group’s operating decision maker. The Group reports operating segments based on geographical segmentation: the Czech Republic, Romania, Hungary, Slovakia, the Netherlands, Germany and other areas. Segment results reported to the Board include items directly attributable to a segment.

In 2023, the Group reconsidered presentation of hotel segment. Hotels are currently presented under the Czech Republic operating 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 it engages, including revenue and investment property split.

6. SEGMENT REPORTING

The principal operation of the Group is the lease of investment property in Western, Central and Eastern Europe, and development in these countries. The Group manages its activities based on geographical segmentation, as business activities are the same in each region where the Group operates.

The Group's principal activities are in the following operating segments: the Czech Republic, Romania, Hungary, Slovakia, the Netherlands, Germany, and Other geographical segments.

Segment	Segment description
Czech Republic	Industrial property, offices, retail, hotels, solar, other
Romania	Industrial property, solar
Hungary	Industrial property, offices, solar
Slovakia	Industrial property, offices, solar
Netherlands	Industrial property, headquarter, solar
Germany	Industrial property, offices
Other	Segments which do not meet criteria for separate segment reporting recognition

Segment results for the 12-month period ended 31 December 2023 are as follows:

In EUR million	Czech Republic	Hungary	Romania	Slovakia	Netherlands	Germany	Other	Total Segments	Intersegment eliminations	Total
Rental income	255.2	57.6	101.7	43.5	7.2	69.2	37.5	571.9	-	571.9
Service charge income	20.8	7.7	12.0	5.3	0.8	12.3	2.6	61.5	-0.8	60.7
Property operating expenses	-28.9	-8.6	-12.6	-6.3	-1.5	-23.6	-7.9	-89.4	-	-89.4
Net rental income	**247.1**	**56.7**	**101.1**	**42.5**	**6.5**	**57.9**	**32.2**	**544.0**	**-0.8**	**543.2**
Hotel operating revenue	21.1	-	-	-	-	-	-	21.1	-	21.1
Hotel operating expenses	-15.7	-	-	-	-	-	-	-15.7	-	-15.7
Net operating income from hotel operations	**5.4**	**-**	**-**	**-**	**-**	**-**	**-**	**5.4**	**-**	**5.4**
Income from development activities	11.7	1.1	1.3	-	-	-	6.0	20.1	-	20.1
Expenses from development activities	-8.7	-0.8	-1.0	-	-	-	-4.2	-14.7	-	-14.7
Net income from development activities	**3.0**	**0.3**	**0.3**	**-**	**-**	**-**	**1.8**	**5.4**	**-**	**5.4**
Total revenues	**308.8**	**66.4**	**115.0**	**48.8**	**8.0**	**81.5**	**46.1**	**674.6**	**-0.8**	**673.8**
Total attributable external expenses	**-53.3**	**-9.4**	**-13.6**	**-6.3**	**-1.5**	**-23.6**	**-12.1**	**-119.8**	**-**	**-119.8**
Gross profit/loss(-)	**255.5**	**57.0**	**101.4**	**42.5**	**6.5**	**57.9**	**34.0**	**554.8**	**-0.8**	**554.0**
Net valuation result on investment property	**260.2**	**3.4**	**149.6**	**105.3**	**17.8**	**123.4**	**219.0**	**878.7**	**-**	**878.7**
Other income	29.6	0.2	1.4	0.7	1.2	0.6	-	33.7	-19.6	14.1
Amortization, depreciation and impairment	-9.8	-0.3	-0.8	-0.2	-0.2	-0.6	-0.8	-12.7	-	-12.7
Employee benefits	-23.3	-4.1	-4.7	-3.2	-2.0	-4.8	-8.3	-50.4	-	-50.4
Impairment of financial assets	0.9	-	-0.1	-0.1	-	-2.1	-	-1.4	-	-1.4
Other expenses	-29.3	-6.8	-7.0	-4.9	-11.2	-6.7	-13.0	-78.9	20.4	-58.5
Net other income/expenses(-)	**-31.9**	**-11.0**	**-11.2**	**-7.7**	**-12.2**	**-13.6**	**-22.1**	**-109.7**	**0.8**	**-108.9**
Net profit/loss(-) before finance costs	**483.8**	**49.4**	**239.8**	**140.1**	**12.1**	**167.7**	**230.9**	**1,323.8**	**-**	**1,323.8**
Net finance costs										**-111.7**
Profit/loss(-) before income tax										**1,212.1**
Income tax expense										-289.5
Profit/loss(-) for the period										**922.6**
Profit/loss(-) attributable to:										
Non-controlling interests										-
Equity holders of the Company										**922.6**

Segment assets and liabilities as at 31 December 2023 are as follows:
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In EUR million	Czech Republic	Hungary	Romania	Slovakia	Netherlands	Germany	Other	Total Segments	Intersegment eliminations	Total
Assets										
Investment property	5,689.1	982.6	1,827.5	789.1	482.5	1,188.7	1,079.7	12,039.2	-	12,039.2
Investment property under development	279.5	123.6	98.6	130.5	0.1	26.8	700.5	1,359.6	-	1,359.6
Property, plant and equipment	150.8	9.0	22.6	3.8	5.2	4.3	38.1	233.8	-	233.8
Goodwill and intangible assets	5.0	-	-	-	0.3	171.2	-	176.5	-	176.5
Trade and other receivables	17.2	2.1	1.2	1.0	0.1	-	2.5	24.1	-	24.1
Derivative financial instruments	-	1.3	-	-	7.2	2.1	-	10.6	-	10.6
Financial investments	658.9	-	-	-	3,260.1	-	-	3,919.0	-3,918.6	0.4
Long-term receivables from related parties	-	-	-	-	3,111.7	-	-	3,111.7	-3,111.1	0.6
Deferred tax assets	1.0	1.8	0.1	2.1	7.2	0.6	1.5	14.3	-	14.3
Total non-current assets	**6,801.5**	**1,120.4**	**1,950.0**	**926.5**	**6,874.4**	**1,393.7**	**1,822.3**	**20,888.8**	**-7,029.7**	**13,859.1**
Trade and other receivables	63.3	18.0	59.1	13.7	7.0	17.3	88.2	266.6	-	266.6
Short-term receivables from related parties	160.8	-	-	-	32.9	-	-	193.7	-192.8	0.9
Derivative financial instruments	-	1.7	-	-	35.8	0.6	-	38.1	-	38.1
Contract assets	8.2	0.3	-	-	-	-	-	8.5	-	8.5
Current tax assets	2.8	0.6	0.5	0.4	3.5	-	1.6	9.4	-	9.4
Cash and cash equivalents	52.5	43.1	28.1	4.8	517.4	10.9	33.8	690.6	-	690.6
Total current assets	**287.6**	**63.7**	**87.7**	**18.9**	**596.6**	**28.8**	**123.6**	**1,206.9**	**-192.8**	**1,014.1**
Total assets	**7,089.1**	**1,184.1**	**2,037.7**	**945.4**	**7,471.0**	**1,422.5**	**1,945.9**	**22,095.7**	**-7,222.5**	**14,873.2**

Segment assets and liabilities as at 31 December 2023 are as follows:
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In EUR million	Czech Republic	Hungary	Romania	Slovakia	Netherlands	Germany	Other	Total Segments	Intersegment eliminations	Total
Total equity	**4,235.3**	**545.0**	**761.5**	**480.0**	**2,515.1**	**978.9**	**569.7**	**10,085.5**	**-3,918.6**	**6,166.9**
Liabilities										
Interest-bearing loans and borrowings from financial institutions	1,394.1	52.8	215.2	209.2	1,210.6	145.5	100.8	3,328.2	-	3,328.2
Bond issued	-	-	-	-	3,551.6	19.7	-	3,571.3	-	3,571.3
Trade and other payables	51.4	10.9	10.3	2.9	22.2	31.7	18.1	147.5	-	147.5
Long-term payables to related parties	431.8	504.6	898.1	136.0	-	103.0	1,037.6	3,111.1	-3,111.1	-
Derivative financial instruments	-	-	-	-	10.6	-	-	10.6	-	10.6
Deferred tax liabilities	800.9	38.4	92.6	82.7	6.5	68.2	78.1	1,167.4	-	1,167.4
Total non-current liabilities	**2,678.2**	**606.7**	**1,216.2**	**430.8**	**4,801.5**	**368.1**	**1,234.6**	**11,336.1**	**-3,111.1**	**8,225.0**
Interest-bearing loans and borrowings from financial institutions	15.1	2.8	7.6	2.6	3.3	18.0	0.6	50.0	-	50.0
Bonds issued	-	-	-	-	18.3	0.4	-	18.7	-	18.7
Trade and other payables	150.5	22.3	31.9	28.5	9.6	42.0	82.1	366.9	-	366.9
Short-term payables to related parties	0.3	6.2	19.0	2.3	105.8	5.0	54.5	193.1	-192.8	0.3
Derivative financial instruments	-	-	-	-	17.0	-	-	17.0	-	17.0
Current tax liabilities	9.7	1.1	1.5	1.2	0.4	10.1	4.4	28.4	-	28.4
Total current liabilities	**175.6**	**32.4**	**60.0**	**34.6**	**154.4**	**75.5**	**141.6**	**674.1**	**-192.8**	**481.3**
Total liabilities	**2,853.8**	**639.1**	**1,276.2**	**465.4**	**4,955.9**	**443.6**	**1,376.2**	**12,010.2**	**-3,303.9**	**8,706.3**
Total equity and liabilities	**7,089.1**	**1,184.1**	**2,037.7**	**945.4**	**7,471.0**	**1,422.5**	**1,945.9**	**22,095.7**	**-7,222.5**	**14,873.2**

Segment results for the 12-month period ended 31 December 2022 are as follows:

Restated* In EUR million	Czech Republic	Hungary	Romania	Slovakia	Netherlands	Germany	Other	Total Segments	Intersegment eliminations	Total
Rental income	230.3	49.0	84.0	37.1	3.0	58.5	23.1	485.0	-	485.0
Service charge income	36.0	6.4	10.7	4.4	21.4	11.1	1.4	91.4	-39.5	51.9
Property operating expenses	-33.0	-7.2	-9.0	-5.2	-0.2	-27.7	-2.5	-84.8	-	-84.8
Net rental income	**233.3**	**48.2**	**85.7**	**36.3**	**24.2**	**41.9**	**22.0**	**491.6**	**-39.5**	**452.1**
Hotel operating revenue	16.0	-	-	-	-	-	-	16.0	-	16.0
Hotel operating expenses	-12.3	-	-	-	-	-	-	-12.3	-	-12.3
Net operating income from hotel operations	**3.7**	**-**	**-**	**-**	**-**	**-**	**-**	**3.7**	**-**	**3.7**
Income from development activities	19.4	1.9	6.3	0.3	-	-	8.3	36.2	-	36.2
Expenses from development activities	-14.1	-1.7	-4.4	-0.2	-	-	-6.7	-27.1	-	-27.1
Net income from development activities	**5.3**	**0.2**	**1.9**	**0.1**	**-**	**-**	**1.6**	**9.1**	**-**	**9.1**
Total revenues	**301.7**	**57.3**	**101.0**	**41.8**	**24.4**	**69.6**	**32.8**	**628.6**	**-39.5**	**589.1**
Total attributable external expenses	**-59.4**	**-8.9**	**-13.4**	**-5.4**	**-0.2**	**-27.7**	**-9.2**	**-124.2**	**-**	**-124.2**
Gross profit/loss(-)	**242.3**	**48.4**	**87.6**	**36.4**	**24.2**	**41.9**	**23.6**	**504.4**	**-39.5**	**464.9**
Net valuation result on investment property	**394.4**	**46.4**	**67.2**	**18.4**	**14.8**	**-30.0**	**186.1**	**697.3**	**-**	**697.3**
Other income	6.5	-	0.2	0.5	0.7	0.4	0.5	8.8	-0.6	8.2
Amortization, depreciation and impairment	-8.9	-0.3	-0.4	-0.2	-0.1	-0.3	-0.5	-10.7	-	-10.7
Employee benefits	-21.0	-3.4	-5.8	-2.8	-4.6	-1.2	-4.9	-43.7	-	-43.7
Impairment of financial assets	0.3	-	-	-	0.8	0.1	-	1.2	-	1.2
Other expenses	-31.1	-4.8	-9.1	-3.3	-42.6	-10.2	-8.7	-109.8	40.1	-69.7
Net other income/expenses(-)	**-54.2**	**-8.5**	**-15.1**	**-5.8**	**-45.8**	**-11.2**	**-13.6**	**-154.2**	**39.5**	**-114.7**
Profit/loss(-) before finance costs	**582.5**	**86.3**	**139.7**	**49.0**	**-6.8**	**0.7**	**196.1**	**1,047.5**	**-**	**1,047.5**
Net finance costs										**-96.7**
Profit/loss(-) before income tax										**950.8**
Income tax expense										-186.6
Profit/loss(-) for the period										**764.2**
Profit/loss(-) attributable to:										
Non-controlling interests										-2.4
Equity holders of the Company										766.6

* The comparative information is restated on account of correction of errors, refer to Note 4.

Segment assets and liabilities as at 31 December 2022 are as follows:

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Restated* In EUR million	Czech Republic	Hungary	Romania	Slovakia	Netherlands*	Germany*	Other	Total Segments	Intersegment eliminations*	Total
Assets										
Investment property	5,181.0	946.5	1,577.6	660.9	148.4	918.1	691.7	10,124.2	-	10,124.2
Investment property under development	187.3	98.4	58.2	76.6	298.8	2.1	471.9	1,193.3	-	1,193.3
Property, plant and equipment	146.8	4.7	8.8	2.1	1.3	3.3	1.9	168.9	-	168.9
Goodwill and intangible assets	3.3	-	-	-	0.2	171.1	-	174.6	-	174.6
Trade and other receivables	5.8	6.6	1.5	2.0	-	0.2	1.9	18.0	-	18.0
Derivative financial instruments	-	3.3	-	-	4.3	1.6	-	9.2	-	9.2
Financial investments	578.2	-	-	-	2,671.8	-	-	3,250.0	-3,249.5	0.5
Long-term receivables from related parties	4.0	-	-	-	3,841.9	-	-	3,845.9	-3,800.7	45.2
Deferred tax assets	8.4	2.1	-	-	4.9	-	2.5	17.9	-	17.9
Total non-current assets	**6,114.8**	**1,061.6**	**1,646.1**	**741.6**	**6,971.6**	**1,096.4**	**1,169.9**	**18,802.0**	**-7,050.2**	**11,751.8**
Trade and other receivables	54.8	23.3	40.5	10.0	6.2	14.0	86.8	235.6	-	235.6
Short-term receivables from related parties	997.9	64.8	-	-	42.3	-	-	1,105.0	-1,104.7	0.3
Derivative financial instruments	-	1.9	-	-	39.8	0.2	-	41.9	-	41.9
Contract assets	2.6	-	0.5	-	-	-	0.3	3.4	-	3.4
Current tax assets	4.5	0.2	0.7	-	-	0.1	0.7	6.2	-	6.2
Cash and cash equivalents	62.7	38.3	17.3	7.1	476.5	33.9	24.8	660.6	-	660.6
Total current assets	**1,122.5**	**128.5**	**59.0**	**17.1**	**564.8**	**48.2**	**112.6**	**2,052.7**	**-1,104.7**	**948.0**
Total assets	**7,237.3**	**1,190.1**	**1,705.1**	**758.7**	**7,536.4**	**1,144.6**	**1,282.5**	**20,854.7**	**-8,154.9**	**12,699.8**

Segment assets and liabilities as at 31 December 2022 are as follows:
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Restated* In EUR million	Czech Republic	Hungary	Romania	Slovakia	Netherlands*	Germany*	Other	Total Segments	Intersegment eliminations*	Total
Total equity	**4,299.3**	**524.2**	**537.7**	**329.4**	**1,941.4**	**716.5**	**322.0**	**8,670.5**	**-3,249.5**	**5,421.0**
Liabilities										
Interest-bearing loans and borrowings from financial institutions	977.4	55.6	-	109.5	563.9	161.7	-	1,868.1	-	1,868.1
Bond issued	-	-	-	-	3,544.1	19.7	-	3,563.8	-	3,563.8
Trade and other payables	39.1	12.0	10.6	1.5	11.4	26.3	3.1	104.0	-	104.0
Long-term payables to related parties	1,091.5	540.4	1,018.7	237.5	-	113.9	798.7	3,800.7	-3,800.7	-
Derivative financial instruments	-	-	-	-	-	2.0	-	2.0	-	2.0
Deferred tax liabilities	687.1	36.6	80.4	55.9	6.3	38.6	43.6	948.5	-	948.5
Total non-current liabilities	**2,795.1**	**644.6**	**1,109.7**	**404.4**	**4,125.7**	**362.2**	**845.4**	**10,287.1**	**-3,800.7**	**6,486.4**
Interest-bearing loans and borrowings from financial institutions	9.5	2.8	-	-	0.1	12.3	-	24.7	-	24.7
Bonds issued	-	-	-	-	417.2	0.4	-	417.6	-	417.6
Trade and other payables	119.2	15.2	35.0	21.0	9.8	47.8	72.9	320.9	-	320.9
Short-term payables to related parties	10.8	1.9	21.3	3.1	1,028.1	1.7	37.8	1,104.7	-1,104.7	-
Derivative financial instruments	-	-	-	-	12.1	0.6	-	12.7	-	12.7
Current tax liabilities	3.4	1.4	1.4	0.8	2.0	3.1	4.4	16.5	-	16.5
Total current liabilities	**142.9**	**21.3**	**57.7**	**24.9**	**1,469.3**	**65.9**	**115.1**	**1,897.1**	**-1,104.7**	**792.4**
Total liabilities	**2,938.0**	**665.9**	**1,167.4**	**429.3**	**5,595.0**	**428.1**	**960.5**	**12,184.2**	**-4,905.4**	**7,278.8**
Total equity and liabilities	**7,237.3**	**1,190.1**	**1,705.1**	**758.7**	**7,536.4**	**1,144.6**	**1,282.5**	**20,854.7**	**-8,154.9**	**12,699.8**

* The comparative information is restated on account of correction of errors, refer to Note 4.

7. CHANGES IN GROUP STRUCTURE

Current financial year

Acquisitions
In 2023, the Group acquired the following subsidiaries:

Subsidiary	Country	Acquisition date
CTPark Ostrava Hrušov, spol. s r.o. (formerly H-Zone, s.r.o.)	Czech Republic	31 January 2023
BIMS PROPERTIES 2018 DOO DEČ	Serbia	21 February 2023
CTPark Pitesti East SRL (formerly Seebuca Immo SRL)	Romania	29 March 2023
CTPark Timisoara North SRL (formerly Seetimi SRL)	Romania	29 March 2023
CTPark Dragomiresti SRL (formerly Bati Carpath SRL)	Romania	29 March 2023
CTP Germany X GmbH (formerly Projektgesellschaft Rauentaler Strasse mbH)	Germany	30 March 2023
CTPark Nýřany II, spol. s r.o. (formerly Limmo beta s.r.o.)	Czech Republic	30 November 2023
CTP Nová Zvonařka, spol. s r.o. (formerly Nová Zvonařka s.r.o.)	Czech Republic	30 November 2023
CTPark Tošanovice a.s. (formerly Tosan Park a.s.)	Czech Republic	6 December 2023

These acquisitions impacted the Group's financial statements as ta date of acquisition as follows:

In EUR million	Germany	Czech Republic	Romania	Serbia	Total
Investment property	9.1	65.5	57.1	4.4	136.1
Investment property under development	-	12.4	0.4	3.1	15.9
Cash and cash equivalents	0.1	0.5	2.3	-	2.9
Trade and other receivables	-	1.0	0.1	-	1.1
Total assets	**9.2**	**79.4**	**59.9**	**7.5**	**156.0**
Interest-bearing loans and borrowings from financial institutions	-	-	-27.1	-	-27.1
Trade and other liabilities	-0.4	-2.7	-10.4	-0.1	-13.6
Total liabilities	**-0.4**	**-2.7**	**-37.5**	**-0.1**	**-40.7**
Non-controlling interest	**-**	**-**	**-**	**-**	**-**
Net assets acquired	**8.8**	**76.7**	**22.4**	**7.4**	**115.3**
Consideration paid in cash*	-8.8	-65.2	-19.5	-7.4	-100.9
Consideration not settled till period end	-	-11.5	-2.9	-	-14.4
Net cash inflow/outflow	**-8.7**	**-64.7**	**-17.2**	**-7.4**	**-98.0**

* Consideration paid includes pre-acquisition loans and borrowings provided to acquired subsidiaries of EUR 39.5 million. Total impact on consolidated cash flow is of EUR 58.5 million.

The acquisitions were recognised as a property asset acquisition, as acquired companies do not represent a business as defined by IFRS 3.

All acquisition above were assessed based on requirement of IFRS 3, no critical processes have been identified and acquisitions were considered to be an asset acquisitions.

In 2023, the Group disposed subsidiary CTPark Alpha, d.o.o. in Slovenia outside of the Group with impact on consolidated cash flow of EUR 3.7 million.

Changes within the Group in 2023
As at 31 December 2023, there were no significant changes within the Group.

Prior financial year

Acquisitions
In 2022, the Group acquired the following subsidiaries:

Subsidiary	Country	Acquisition date
Deutsche Industrie REIT-AG	Germany	3 February 2022
KONČINY SPV, s.r.o.	Czech Republic	14 March 2022
CTP Tau Poland sp. z o.o. (formerly Dafne 23 sp. z o.o)	Poland	9 May 2022
CTP Chi Poland sp. z o.o. (formerly 7R Projekt 37 sp. z o.o.)	Poland	9 May 2022
CTP Omega Poland sp. z o.o. (formerly 7R Projekt 31 sp. z o.o.)	Poland	9 May 2022
CTP Property Alpha Poland sp. z o.o. (formerly 7R Projekt 68 sp. z o.o.)	Poland	9 May 2022
CTP Property Beta Poland sp. z o.o. (formerly 7R Projekt 64 Sp. z o.o.)	Poland	9 May 2022
CTP Property Gamma Poland sp. z o.o. (formerly 7R Projekt 30 sp. z o.o.)	Poland	9 May 2022
CTPARK CHITILA SRL (formerly Eglast Investment SRL)	Romania	20 May 2022
CTPARK PITESTI SRL (formerly Dani Global Development SRL)	Romania	20 May 2022
CTP Property Delta Poland sp. z o.o. (formerly 7R Projekt 41 sp. z o.o.)	Poland	7 June 2022
CTP Property Epsilon Poland sp. z o.o. (formerly 7R Projekt 44 sp. z o.o.)	Poland	14 June 2022
Banovac projekat d.o.o. Beograd-Novi Beograd	Serbia	5 July 2022
CTPark Sofia Ring Road EOOD (formerly Transcapital Ring Road EOOD)	Bulgaria	17 August 2022
CTPark Sofia EOOD (formerly Transcapital Airport EOOD)	Bulgaria	17 August 2022
LEVANTE LOGISTICS DRUŠTVO SA OGRANIČENOM ODGOVORNŠĆU BEOGRAD	Serbia	31 August 2022
KRMELÍNSKÁ I, s.r.o.	Czech Republic	30 September 2022
CTP Property Eta Poland sp. z o.o. (formerly 7R Projekt 56 sp. z o.o.)	Poland	20 October 2022
CTP Property Zeta Poland sp. z o.o. (formerly 7R Projekt 24 sp. z o.o.)	Poland	20 October 2022

In 2022, the only significant acquisition—the acquisition of Deutsche Industrie REIT-AG in Germany (subsequently renamed to Deutsche Industrie Grundbesitz AG), reconsidered in 2023 as a Business combination (refer to Note 4)—is described in detail below.

On 3 February 2022, the Group received 80.9 % ownership interest in DIR with the following impact on the consolidated financial statements as at the date of acquisition:

In EUR million	Deutsche Industrie REIT-AG Germany Restated*
Investment property	876.9
Property, plant & equipment	0.2
Cash and cash equivalents	11.0
Financial derivatives	0.1
Asset held for sale	7.3
Trade and other receivables	104.2
Total assets	**999.7**
Interest-bearing loans and borrowings from financial institutions	-233.0
Bond issued	-140.0
Deferred tax liabilities	-38.8
Trade and other liabilities	-30.3
Total liabilities	**-442.1**
Non-controlling interest*	**-93.6**
Net assets acquired	**464.0**
Consideration paid**	-67.7
Consideration not settled till period end	-
Consideration settled by shares of CTP N.V.	-567.4
Net cash outflow	**-56.5**
Goodwill arisen from acquisition	**171.1**

* Based on proportionate interest in the recognised amounts of the assets and liabilities of DIR.
** Consideration paid includes also the loans and borrowings provided to acquired subsidiaries of EUR 67.5 million. Total impact on consolidated cash flow is of EUR 0 million.

The goodwill that arose in relation to the business combination represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised (refer to Note 22 for details). None of the goodwill recognised is expected to be deductible for tax purposes.

The trade receivables comprise gross contractual amounts due of EUR 106.1 million, of which EUR 1.9 million was expected to be uncollectable at the date of acquisition. The majority of the gross contractual amount (EUR 87.0 million) were loans provided to previous owners, which were repaid in full immediately after acquisition. The remaining balances are all expected to be collected.

For the 11 months ended 31 December 2022, DIR contributed revenue of EUR 67.3 million and loss of EUR 6.8 million to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that the consolidated revenue would have been EUR 595.6 million, and the consolidated profit for the year would have been EUR 766.4 million. In determining these amounts, management has assumed the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

Before the acquisition, at the end of January 2022, the Group received 98.17% shareholder support for its voluntary public takeover and delisting offer (the "Offer") for and contemplated merger with Deutsche Industrie REIT-AG ("DIR").

The total number of DIR Shares tendered in the Offer was in aggregate 25,951,833 DIR Shares, corresponding to approximately 80.90% of the outstanding share capital in DIR.
Closing and settlement of the Offer, in which CTP offered either a cash consideration of EUR 17.12 or a share consideration of 1.25 shares in the share capital of CTP (the "CTP Shares") for each tendered DIR Share (the "Share Consideration"), took place on 3 February 2022. During the acceptance period, a total of 25,937,060 tendered DIR Shares were settled in the form of the Share Consideration. Accordingly, a total of 32,421,325 CTP Shares were issued.
The acquisition of DIR is considered as a business combination in exchange for shares of CTP N.V. and therefore this transaction is within the scope of IFRS 3.

Secondly, on 23 August 2022, CTP N.V. and DIR entered into a transaction for a cross-border merger and acquired an additional 19.1% ownership interest in DIR. The assets and liabilities of DIR were transferred to CTP N.V. under universal succession of title, and DIR ceased to exist without liquidation. In accordance with the agreed exchange ratio, CTP allotted for each issued and outstanding DIR share 1.25 shares in CTP's share capital to each holder of shares, resulting in the allotment of 7,659,590 new shares.

Shares of DIR in ownership of non-controlling interest were transferred into shares of CTP N.V. with impact on Retained earnings of EUR 13.5 million. For details refer to Note 25 and Note 28.

On 1 November 2022, all assets and liabilities of DIR were transferred through a hive down by way of legal partial division from CTP N.V. to a new subsidiary, CTP Deutschland B.V.

The below stated acquisitions were recognised as a property asset acquisition, as acquired companies do not represent a business as defined by IFRS 3.

These acquisitions impacted Group financial statements as at date of acquisition as follows:

In EUR million	Czech Republic	Poland	Romania	Serbia	Bulgaria	Total
Investment property	8.8	111.6	12.4	1.1	62.0	195.9
Investment property under development	-	42.4	-	-	0.7	43.1
Cash and cash equivalents	-	2.9	0.6	0.1	1.1	4.7
Deferred tax asset	-	-	-	-	0.1	0.1
Trade and other receivables	-	13.6	0.1	-	0.2	13.9
Total assets	**8.8**	**170.5**	**13.1**	**1.2**	**64.1**	**257.7**
Trade and other liabilities	-0.3	-8.6	-0.3	-	-0.9	-10.1
Total liabilities	**-0.3**	**-8.6**	**-0.3**	**-**	**-0.9**	**-10.1**
Net assets acquired	**8.5**	**161.9**	**12.8**	**1.2**	**63.2**	**247.6**
Consideration paid*	-8.5	-159.8	-12.8	-1.2	-63.2	-245.5
Consideration not settled till period end	-	-2.0	-	-	-	-2.0
Net cash outflow	**-8.5**	**-156.9**	**-12.2**	**-1.1**	**-62.1**	**-240.8**

* Consideration paid includes pre-acquisition loans and borrowings provided to acquired subsidiaries of EUR 127.3 million. Total impact on consolidated cash flow is of EUR 102.5 million.

Changes within the Group in 2022
On 1 January 2022, the entities CTPark Bor II, spol. s r.o. and CTPark Bor III, spol. s r.o. were incorporated by spin-off from CTP Alpha, spol. s r.o. Part of the assets were transferred from CTP Alpha, spol, s r.o., to these entities according to the project prepared on 16 November 2021. CTPark Bor III, spol. s r.o. was transferred from CTP Industrial Property, spol. s r.o., to CTPark Bor, spol. s r.o. on 21 February 2022. Subsequently CTPark Bor III, spol. s r.o. was merged into CTPark Bor, spol. s r.o. on 23 September 2022.

RENWON a.s. was transferred from CTP Bohemia North, spol. s r.o. to CTP Property B.V. and was renamed to CTPark Chrastava a.s. on 22 August 2022.

In 2022, the Group wound up subsidiaries CTP Property Serbia, spol. s.r.o., CTP Beta, spol. sr.o. v likvidaci and CTP I, spol. s r.o. v likvidaci.

In September 2022, assets and liabilities of CTP Germany III GmbH and CTP Germany IV GmbH & Co. KG were transferred to CTP Germany II GmbH via a merger transaction, and both entities ceased to exist without liquidation. The transaction was common control transaction with impact on Equity of EUR 1.1 million.

In November 2022, newly acquired entity Banovac projekat d.o.o. Beograd-Novi Beograd was merged into CTP Omicron d.o.o. Beograd-Novi Beograd.

In December 2022, newly acquired entity LEVANTE LOGISTICS DRUŠTVO SA OGRANIČENOM ODGOVORNŠĆU BEOGRAD was merged into CTP Tau d.o.o. Beograd-Novi Beograd.

No above changes within the Group have a material impact on its consolidated financial statements.

8. RENTAL INCOME AND SERVICE CHARGE INCOME

In EUR million	2023	2022
Industrial	504.6	424.7
Office	30.7	32.9
Retail	1.2	1.1
Other rental income	35.4	26.3
Total rental income	**571.9**	**485.0**
Service charge income	60.7	51.9
Total rental income including service charge	**632.6**	**536.9**

CTP leases out its investment property under operating leases. The operating leases are generally for five to fifteen years.

Other rental income represents termination fees, rental income from the rent of parking spaces, garages, yards, porches and cloakrooms.

Increase in other rental income is primarily derived by increase from parking places, yards, sanitary and short-term rent of our coworking offices and parking places.

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

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

In EUR million	2023	2022
Czech Republic	276.0	248.1
Romania	113.7	94.8
Germany	81.5	69.6
Hungary	65.3	55.4
Slovakia	48.8	41.5
Serbia	18.5	13.1
Bulgaria	12.2	7.1
Poland	8.4	4.1
Netherlands	7.2	3.0
Austria	1.0	0.2
Total rental income including service charge	**632.6**	**536.9**

9. REVENUES FROM CONTRACTS WITH CUSTOMERS

According to IFRS 15 requirements, revenues related to contracts with customers are as follows:

In EUR million			2023			2022
	Revenues	Attributable external expenses		Revenues	Attributable external expenses	
Hotel operating revenue	21.1			16.0		
Hotel operating expenses		-15.7			-12.3	
Net operating income from hotel operations			**5.4**			**3.7**
Income from development activities	20.1			36.2		
Expenses from development activities		-14.7			-27.1	
Net income from development activities			**5.4**			**9.1**
Total revenues from contract with customers	**41.2**			**52.2**		
Total external expenses related to contract with customers		**-30.4**			**-39.4**	
Net income from contract with customers			**10.8**			**12.8**

Net operating income from hotel operations
Net operating income from hotel operations is represented by revenues and expenses from the operation of three hotels in the Czech Republic. All hotels are operated under the “Courtyard by Marriott” brand.

Revenues from hotel operations are represented by very short-term contracts with customers. The hospitality services are invoiced nearly at the same time as the respective service is provided.

Net income from development activities
Net income from development activities represents income from construction projects provided by CTP to third-party companies; the main part of construction represents extras and fit-outs for tenants.

10. PROPERTY OPERATING EXPENSES

In EUR million	2023	2022
Maintenance and repairs	-39.7	-41.3
Park Management expenses	-29.6	-27.6
Real estate tax	-12.8	-10.5
Insurance	-6.8	-5.1
Other	-0.5	-0.3
Total property operating expenses	**-89.4**	**-84.8**

Park management expenses represent expenses for utilities, park maintenance, cleaning, security and garbage management provided by external suppliers. These expenses are covered by service charges charged to the tenants.

In 2023, the increase in park management expenses represents mainly an increase in utilities and other external services, such as cleaning, security services and others.

11. OTHER INCOME

In EUR million	2023	2022
Gains from sale of assets	3.7	0.9
Income from sale of electricity	6.3	4.3
Other income	4.1	3.0
Total other income	**14.1**	**8.2**

Other income was mainly from reverse charge from property insurance and income from assigned receivables.

During the year 2023, gain from sale of assets of EUR 3.1 million, represents the sale of subsidiary CTPark Alpha, d.o.o. in Slovenia outside of the Group.

12. EMPLOYEE BENEFITS

In EUR million	2023	2022
Wages and salaries	-40.5	-32.4
Social security contributions	-8.0	-5.9
Other personnel expenses	-1.9	-5.4
Total employee benefits	**-50.4**	**-43.7**

The average full-time equivalent of employees in 2023 was 711 (2022 – 579); all except 9 (2022 – 12) are working outside the Netherlands.

Weighted average number of employees per segments	2023	2022
Czech Republic	318	281
Romania	94	91
Poland	72	34
Hungary	67	64
Slovakia	62	47
Germany	39	11
Netherlands	9	12
Other	50	39
Total employee number	**711**	**579**

The number of full-time equivalent employees as at 31 December 2023 was 732 (2022 - 667).

13. OTHER EXPENSES

In EUR million	2023	2022 Restated*
Legal, tax and audit	-9.8	-23.3
Travel expenses	-8.6	-6.8
Donations	-5.7	-11.2
Fee for real estate consultants and brokers	-5.7	-4.7
Advertising and promotion expenses	-5.4	-5.4
Telecommunication expenses	-4.7	-3.0
Taxes and charges	-4.4	-2.8
Energy and material consumption	-3.5	-2.4
Receivables written off	-2.8	-1.7
Rent	-1.8	-1.3
Penalties	-0.3	-0.5
Loss from sale of Property, plant and equipment	-	-2.3
Other	-5.8	-4.3
Total other expenses	**-58.5**	**-69.7**

* The comparative information is restated on account of correction of errors, refer to Note 4.

In 2023, the Group donated a land plot to a municipality in the Czech Republic with a value of EUR 4.0 million.

In 2022, the Group donated EUR 10.0 million to the UN refugee agency UNHCR (United Nations High Commissioner for Refugees) to provide humanitarian support for the more than one million people who have fled the war in Ukraine into neighboring countries.

In 2022, legal, tax and audit services include advisory fees related to DIR transactions of EUR 14.6 million.

14. INTEREST EXPENSES

In EUR million	2023	2022
Bank interest expense	-81.9	-31.2
Impact of financial derivative instruments	5.7	-0.3
Arrangement fees	-4.0	-4.0
Interest expense from bonds issued	-48.8	-49.4
Interest expense	**-129.0**	**-84.9**

The increase in the bank interest expense in 2023 relates to the increase in financing of the Group via bank loans and higher interest rates. Please, refer to Note 29.

In 2023, arrangement fees include one off release of arrangement fee related to early termination of revolving credit facility of EUR 0.9 million.

In 2022, arrangement fees include one off release of arrangement fee related to repaid bank loans of EUR 2.7 million.

15. OTHER FINANCIAL EXPENSES

In EUR million	2023	2022
Bank fees	-0.7	-2.8
Financing fees	-7.4	-15.0
Other financial expenses	-0.4	-0.2
Other financial expenses	**-8.5**	**-18.0**

In 2022, financing fees include prepayment fee of EUR 1.4 million for premature loan repayments and fee for early repayment of bonds of EUR 10.4 million (refer to Note 30).

16. OTHER FINANCIAL GAINS/LOSSES

In EUR million	2023	2022
Change in FMV of derivatives and hedge	-1.7	4.1
Foreign exchange gains/losses(-)	9.2	-2.2
Other financial gains/losses(-)	1.1	0.1
Other financial gains/losses(-)	**8.6**	**2.0**

17. INCOME TAX EXPENSES

In EUR million	2023	2022 Restated*
Current tax income/expense(-) related to		
Current year	-48.0	-30.3
Prior period	-6.2	-1.1
Total	**-54.2**	**-31.4**
Deferred tax expense		
Deferred tax expense	-235.3	-155.2
Total	**-235.3**	**-155.2**
Total income tax expense in statement of profit and loss and other comprehensive income	**-289.5**	**-186.6**

* The comparative information is restated on account of correction of errors, refer to Note 4.

The Group 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 2023 and is as well valid for future periods except for the Czech Republic, where new tax rate is valid from the year 2024, when the Group expects to utilise the tax impacts from previous years.

Current tax expenses from prior periods include additional tax of EUR 3.6 million related to pre-acquisition period of DIR.

Reconciliation of effective tax rate

In EUR million	2023		2022 Restated*	
	Tax base	Tax	Tax base	Tax
Profit before income tax	1,212.1	312.7	950.8	245.3
Company's domestic tax rate	25.8%		25.8%	
Tax non-deductible expenses	21.2	5.5	55.6	14.3
Tax exempt income	-6.7	-1.7	-2.4	-0.6
Income tax adjustment for prior years	24.1	6.2	4.3	1.1
Effect of unrecognised deferred tax asset related to tax losses (including current year losses)	-4.6	-1.2	-2.1	-0.5
Effect of tax rates in foreign jurisdictions	-	-81.6	-	-80.7
Effect of change of tax rate in the Czech Republic	-	54.0	-	-
Other items	-17.0	-4.4	29.8	7.7
Tax base	**1,229.1**	**289.5**	**1,036.0**	**186.6**
Effective income tax rate	**23.9%**		**19.6%**	

* The comparative information is restated on account of correction of errors, refer to Note 4.

Tax non-deductible expenses represent mainly financial expenses, reversal of items which were treated permanently non-taxable in previous periods, non-deductible representation expenses and gifts.

In 2023, for the purposes of deferred tax calculation was used tax rate of 21% in the Czech Republic. A tax rate of 21% also will be used for corporate income tax rate from the year 2024.

Other items result mainly from the translation of transactions in foreign currencies to the functional currency of the Group's entities.

18. INVESTMENT PROPERTY

In EUR million	2023	2022
Buildings and related land and Right-of-use assets	11,119.4	9,361.3
Industrial	*10,434.1*	*8,764.3*
Office	*620.8*	*549.5*
Retail and other	*64.5*	*47.5*
Landbank and related Right-of-use assets	919.8	762.9
Total	**12,039.2**	**10,124.2**

In EUR million Restated*	Buildings and related land	Landbank	Right-of-use assets - buildings and related land	Right-of-use assets - landbank	Total Investment Property
Balance at 1 January 2022	**7,046.3**	**526.8**	**2.0**	**-**	**7,575.1**
Transfer from/to investment property under development	814.4	-75.0	0.5	-	739.9
Transfer from/to buildings and related land	18.4	-18.4	-	-	-
Acquisitions	1,002.8	322.1	25.6	4.7	1,355.2
Additions/disposals	63.7	-	-	-	63.7
Net valuation result	387.6	2.7	-	-	390.3
Balance at 31 December 2022	**9,333.2**	**758.2**	**28.1**	**4.7**	**10,124.2**
Balance at 1 January 2023	**9,333.2**	**758.2**	**28.1**	**4.7**	**10,124.2**
Transfer from/to investment property under development	1,209.4	-152.2	17.0	-	1,074.2
Transfer from/to buildings and related land	11.8	-11.8	-	-	-
Transfer from/to PPE	-2.3	-	-	-	-2.3
Acquisitions	161.7	224.3	-	-	386.0
Additions/disposals	144.9	-7.6	2.2	0.3	139.8
Net valuation result	213.4	103.9	-	-	317.3
Balance at 31 December 2023	**11,072.1**	**914.8**	**47.3**	**5.0**	**12,039.2**

* The comparative information is restated on account of correction of errors, refer to Note 4.

Buildings and related land represent assets in CTP's legal ownership.

The landbank comprises the plots of land in CTP's ownership available for development of new projects.

Right-of-use assets comprise leased land in Germany of EUR 27.8 million (2022 – EUR 25.6 million), land in the Netherlands of EUR 17.0 million (2022 – EUR 0 million), landbank in the Czech Republic of EUR 5.0 million (2022 – EUR 4.7 million), land in the Czech Republic of EUR 2.0 million (2022 – EUR 2.0 million) and land in Romania of EUR 0.5 million (2022 – EUR 0.5 million).

Investment property comprises mainly commercial properties that are leased to third parties.

Part of owned buildings and land are subject to bank collateral (refer to Note 29).

Acquisitions represent asset deals under the acquisition of subsidiaries (refer to Note 7) and acquisitions of properties under asset deal agreements.

The most significant completed construction of industrial properties in 2023 were in Mszczonów and in Opole in Poland; in Sofia in Bulgaria; in Belgrade and in Kragujevac in Serbia; in Budapest in Hungary; in Vienna and in Getzersdorf in Austria; in Amsterdam in the Netherlands; in Brno, in Kozomín, in Cerhovice, in Hrušov, in Blučina, in Žatec and in Ostrava in the Czech Republic; in Prešov and in Trnava in Slovakia; and in Bucharest in Romania.

In 2023, the Group also made landbank acquisitions, mainly in Hungary, Romania, Germany, Serbia, Poland, Bulgaria, Austria, Czech Republic and Slovakia.

During the year 2023, disposals in landbank of EUR 6.2 million, represents the sale of subsidiary CTPark Alpha in Slovenia outside of the Group.

In 2023, the Group donated a land plot to a municipality in the Czech Republic with a value of EUR 4.0 million.

The most significant changes in investment property in 2022 relate to completed construction of industrial properties in Bor, Brno and Ostrava in the Czech Republic; in Budapest in Hungary; in Belgrade in Serbia; in Bucharest in Romania; and in Illowa in Poland. In 2022, the Group also made landbank acquisitions, mainly in the Czech Republic, Poland, Romania, Austria, the Netherlands, Serbia and Slovakia.

Fair value hierarchy
The fair value measurement for investment property has been categorised 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 period.

Management's adjustments made in respect of valuations appraisals
CTP management did not make any adjustments to valuation prepared by an independent external valuer as at 31 December 2023 and 31 December 2022.

The table below presents the portion of the investment property portfolio as at 31 December 2023 and 2022, valued by an independent external valuer:

In EUR million	2023	2022
Investment property portfolio valued by external valuer	11,836.6	10,025.6
Investment property portfolio at acquisition value	202.6	98.6
Total	**12,039.2**	**10,124.2**

Valuation

Building valuation
To value investment property, with the exception of the German market, external valuers have adopted a traditional capitalization approach. The capitalisation rates applied within this method are implicit in terms of rental growth and most other risks, although external valuers are explicit in their calculations in terms of voids and costs. For German investment properties, according to local practice, the external valuers have adopted an explicit discounted cashflow approach.

Valuations reflect, where appropriate: the tenants in current occupation; the rental potential after letting vacant accommodation, and the remaining economic life of the property. It is 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.

Assumptions by the independent valuer for the year ended 31 December 2023 and 31 December 2022 were as follows:

	Core yield					
			2023			2022
Country	**Average**	**Lower**	**Upper**	**Average**	**Lower**	**Upper**
Czech Republic	5.84%	4.60%	9.00%	5.52%	4.05%	10.70%
Hungary	6.92%	6.15%	8.80%	6.23%	5.50%	8.00%
Romania	7.53%	7.35%	8.40%	7.25%	6.85%	8.25%
Slovakia	6.77%	6.25%	9.50%	6.07%	5.50%	9.25%
Germany	6.23%	3.11%	15.61%	7.11%	2.46%	14.39%
Other	6.44%	3.65%	9.50%	6.93%	3.50%	9.50%
All	**6.36%**	**3.11%**	**15.61%**	**6.13%**	**2.46%**	**14.39%**

	Core yield					
			2023			2022
Sector	**Average**	**Lower**	**Upper**	**Average**	**Lower**	**Upper**
Offices	7.13%	5.79%	8.60%	6.71%	4.45%	9.70%
Industrial/other	6.32%	3.11%	15.61%	6.10%	2.46%	14.39%

	Average ERV per sqm and month (EUR)	
Country	**2023**	**2022**
Czech Republic	7.2	6.7
Slovakia	5.5	4.2
Hungary	5.4	4.9
Romania	4.4	4.0
Germany	4.3	3.8
Other	5.9	4.5
All	**5.7**	**5.1**

	Average ERV per sqm and month (EUR)	
Sector	**2023**	**2022**
Offices	**13.7**	13.1
Industrial/other	**5.5**	4.9

Structural vacancy was applied in few cases, mainly to office and ancillary areas.

Landbank valuation

The landbank comprises the plots of land in CTP's ownership, on which development projects are to be carried out. The landbank was valued by a registered independent valuer with an appropriately recognised professional qualification and with up–to–date knowledge and understanding of the location and category of the property.

For land assets, the valuer applied the residual or the market comparison method or both, as appropriate. The residual method assumes the property's value equates to the end value of the property once developed, less the costs of realisation, demolition, build costs, professional fees, planning, finance and marketing costs and developer's profit. The land value shall be the residual amount. The market comparison uses sales information from sites of a similar type, size and in a similar location, where a similar development is possible.

Sale prices of the properties that are judged to be most comparable tend to indicate a range in which the value indication for the subject property will fall. The valuer estimated the degree of similarity or difference between the subject property and the comparable sales by considering various elements of comparison.

Independent valuer assumptions for the year ended 31 December were based on analysis of comparable evidence and adopted the following average market values per square meter:

In EUR	**2023**	**2022**
Czech Republic	64	55
Slovakia	60	49
Hungary	48	49
Serbia	26	38
Romania	33	33
Poland	63	62
Bulgaria	55	50
Slovenia	-	78
Germany	123	123
Netherlands	32	31
Austria	102	86
Total average for the Group	**50**	**49**

Investment property is in the following countries where CTP operates:

In EUR million	2023	2022
Czech Republic	5,689.1	5,181.0
Romania	1,827.5	1,577.6
Germany	1,188.7	918.1
Hungary	982.6	946.5
Slovakia	789.1	660.9
Netherlands	482.5	148.4
Poland	420.1	320.3
Serbia	368.7	212.1
Bulgaria	177.7	132.9
Austria	113.2	20.3
Slovenia	-	6.1
Total	**12,039.2**	**10,124.2**

Sensitivity analysis on changes in external valuer's assumptions of investment property valuation

CTP performed a sensitivity analysis on changes in investment property valuations, except for landbank investment property as it is valued by a comparable method. The table below presents the sensitivity of profit and loss before tax as at 31 December 2023 and 31 December 2022 due to changes in assumptions:

Completed investment properties as at 31 December 2023 in EUR million

	Current average property yield	Current market value	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in yield	6.66%	11,028.7	6.91%	10,629.6	-399.1
	Current average property yield	**Current market value**	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Decrease of 25bp in yield	6.66%	11,028.7	6.41%	11,459.0	430.3

		Current rental income including ERV from vacant space	Changed rental income	FMV based upon changed rental income	Change in FMV
Increase of 500bp in estimated rental income		734.3	771.0	11,580.2	551.4
Decrease of 500bp in estimated rental income		734.3	697.6	10,477.3	-551.4

Completed investment properties as at 31 December 2022 in EUR million

	Current average property yield	Current market value	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in yield	6.45%	9,328.3	6.70%	8,980.4	-348.0
	Current average property yield	**Current market value**	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Decrease of 25bp in yield	6.45%	9,328.3	6.20%	9,704.4	376.0

		Current rental income including ERV from vacant space	Changed rental income	FMV based upon changed rental income	Change in FMV
Increase of 500bp in estimated rental income		601.9	632.0	9,794.8	466.4
Decrease of 500bp in estimated rental income		601.9	571.8	8,861.9	-466.4

19. INVESTMENT PROPERTY UNDER DEVELOPMENT

In EUR million	IPUD	Right-of-use assets	Total
Balance at 1 January 2022	756.0	18.2	774.2
Additions/disposals	807.0	-	807.0
Acquisitions	45.0	-	45.0
Transfer from/to Investment property	-739.4	-0.5	-739.9
Net valuation result	307.0	-	307.0
Balance at 31 December 2022	**1,175.6**	**17.7**	**1,193.3**
Balance at 1 January 2023	1,175.6	17.7	1,193.3
Additions/disposals	666.7	0.1	666.8
Acquisitions	16.5	-	16.5
Transfer from/to Investment property	-1,057.2	-17.0	-1,074.2
Transfer from/to PPE	-4.2	-	-4.2
Net valuation result	561.4	-	561.4
Balance at 31 December 2023	**1,358.8**	**0.8**	**1,359.6**

Investment property under development ("IPUD") comprises pipeline projects in several stages of completion and of land with planning permits in place, which are still to be constructed but where pre-agreements with future tenants are available. The management estimates that asignificant majority of the pipeline projects will be completed within 12 months.

Right-of-use assets in investment property under development comprise leased land in the Netherlands under the acquired project CTP ALC B.V. of EUR 0 million (2022 – EUR 17.0 million), leased land of EUR 17 million was transferred to investment property, and land in Romania of EUR 0.8 million (2022 – EUR 0.7 million) in CTPARK IOTA SRL.

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

In EUR million	2023	2022
Poland	483.0	308.2
Czech Republic	279.5	187.3
Slovakia	130.5	76.6
Hungary	123.6	98.4
Romania	98.6	58.2
Austria	95.1	72.8
Bulgaria	63.4	29.9
Serbia	59.0	61.0
Germany	26.8	2.1
Netherlands	0.1	298.8
Total	**1,359.6**	**1,193.3**

Fair value hierarchy

The fair value measurement for investment property under development is categorised 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 period.

Valuation

Development assets are valued through a combination of traditional and residual methods. The traditional method is applied to determine a gross development value (GDV), which is a component of the residual method that is ultimately applied to determine fair value. This approach assumes the property's value equates to the end value of the property once developed, less the costs of realisation, demolition, build costs, professional fees, planning, finance and marketing costs and developer's profit. The land value shall be the residual amount.

In assessing the GDV, the independent valuer 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. For those assets nearing completion, the valuer has explicitly considered the likely leasing status of the property as at practical completion.

The assumptions used by the independent valuer for the year ended 31 December were as follows:

			2023			2022
	Average	Lower	Upper	Average	Lower	Upper
Capitalisation rates	**6.39%**	**4.40%**	**9.00%**	**6.01%**	**4.25%**	**9.10%**
Monthly ERV per vacant sqm (EUR)						
Industrial premises	5.22	2.67	9.11	5.46	3.50	10.98
Office properties	15.65	14.68	17.17	17.16	16.66	18.69
Soft costs	5.69%	0.00%	15.00%	5.14%	2.50%	15.00%
Finance costs	**5.50%**	**0.00%**	**6.00%**	**4.58%**	**3.00%**	**6.00%**
Profit allowance	**10.73%**	**0.00%**	**18.50%**	**14.56%**	**5.00%**	**25.00%**

Structural vacancy was applied in a very few cases, mainly to office and ancillary areas.

Sensitivity analysis on changes in external valuer's assumptions of investment property under development valuation

CTP performed a sensitivity analysis on changes in investment property under development valuation. The table below presents the sensitivity of profit and loss before tax as at 31 December 2023 and 31 December 2022:

Investment properties under development as at 31 December 2023 in EUR million

	Current average property yield	Current market value at completion	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in yield	6.87%	2,209.3	7.12%	2,131.8	-77.6
	Current average property yield	**Current market value at completion**	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Decrease of 25bp in yield	6.87%	2,209.3	6.62%	2,292.7	83.4
		Current rental income including ERV from vacant space	**Changed rental income**	**FMV based upon changed rental income**	**Effect of change in rental income**
Increase of 500bp in estimated rental income		151.8	159.4	2,319.8	110.5
Decrease of 500bp in estimated rental income		151.8	144.2	2,098.9	-110.5

Investment properties under development as at 31 December 2022 in EUR million

	Current average property yield	Current market value at completion	Increased yield by 25bp	FMV based upon increased yield	Effect of increase in yield by 25bp
Increase of 25bp in yield	6.38%	1,921.9	6.63%	1,849.4	-72.5
	Current average property yield	**Current market value at completion**	**Decreased yield by 25bp**	**FMV based upon decreased yield**	**Effect of decrease in yield by 25bp**
Decrease of 25bp in yield	6.38%	1,921.9	6.13%	2,000.3	78.4
		Current rental income including ERV from vacant space	**Changed rental income**	**FMV based upon changed rental income**	**Effect of change in rental income**
Increase of 500bp in estimated rental income		122.5	128.7	2,018.0	96.1
Decrease of 500bp in estimated rental income		122.5	116.4	1,825.8	-96.1

An increase of developers' profit mark-up by 2% in valuers' assumptions will increase the developers' profit and as a consequence will decrease the valuation as at 31 December 2023 by EUR 13.7 million (31 December 2022 – EUR 12.2 million) provided all other variables remain constant.

20. NET VALUATION RESULT

Reconciliation of valuation gains/losses recognised in statement of comprehensive income:

In EUR million		2023	2022 Restated*
Valuation gains		1,102.0	879.9
out of which:	*Investment Property*	*505.8*	*545.4*
	Investment Property under development	*596.2*	*334.5*
Valuation losses		-223.3	-182.6
out of which:	*Investment Property*	*-188.5*	*-155.1*
	Investment Property under development	*-34.8*	*-27.5*
Net valuation gains (losses) on investment property		**878.7**	**697.3**

* The comparative information is restated on account of correction of errors, refer to Note 4.

21. PROPERTY, PLANT AND EQUIPMENT

In EUR million	Hotels	Leased Property	Solar Plants	Solar plants under construction	Forests	Equipment	Total
Balance at 1 January 2023	55.5	8.8	24.9	13.8	4.3	61.6	168.9
Acquisitions	-	-	-	-	-	0.1	0.1
Additions/disposals	-	0.2	8.5	45.3	-	4.4	58.4
Transfers	-	-	11.0	-11.0	-	-	-
Transfer from/to IP and IPuD	-	-	4.2	-	-	2.3	6.5
Valuation gain/loss on solar plants and hotels	0.4	-	-5.7	17.5	-	-	12.2
Depreciation	-1.6	-1.2	-1.4	-	-	-8.7	-12.9
Reversal of impairment loss	0.6	-	-	-	-	-	0.6
Balance at 31 December 2023	**54.9**	**7.8**	**41.5**	**65.6**	**4.3**	**59.7**	**233.8**

In EUR million	Hotels	Leased Property	Solar Plants	Solar plant under construction	Forests	Equipment	Total
Balance at 1 January 2022	55.3	4.4	25.1	-	4.3	21.9	111.0
Acquisitions	-	-	-	-	-	0.2	0.2
Additions/disposals	-	5.3	2.0	13.8	-	46.9	68.0
Valuation gain/loss on solar plants and hotels	-	-	-1.0	-	-	-	-1.0
Depreciation	-1.6	-0.9	-1.2	-	-	-7.4	-11.1
Reversal of impairment loss	1.8	-	-	-	-	-	1.8
Balance at 31 December 2022	**55.5**	**8.8**	**24.9**	**13.8**	**4.3**	**61.6**	**168.9**

The value of Solar plants of EUR 41.5 million (2022 – EUR 24.9 million) represents the fair value of the solar panels based upon the independent valuation report.

The value of Solar plant under construction of EUR 65.6 million (2022 – EUR 13.8 million) represents the fair value of the solar panels based upon the independent valuation report.

In 2023, the Group recognised government grants related to acquisition of solar plants of EUR 4.2 million (2022 – EUR 0 million).

The value of hotels EUR 54.9 million (2022 – EUR 55.5 million) represents revalued amount in accordance with IAS 16 based upon the independent valuation report. The valuation is prepared on the basis of fair value in accordance with IFRS 13 and is primarily derived using the discounted cashflow methodology, as well as an income capitalisation approach, and comparable recent market transactions on arm's length terms.

Forests are considered as bearing plant and are included in Property, plant and equipment of EUR 4.3 million (2022 – EUR 4.3 million).

Valuation

Considering the nature of the solar plants and the basis of valuation, the valuer used the income approach under the Discounted Cash Flow ("DCF") method, in a DCF Entity modification, as a valuation method. The cash flows are based on business plans that account for the general and specific characteristics of individual solar plant portfolios and typically cover a period of 25-30 years, reflecting the net useful life of the solar plants. To compute fair value of the solar plants, the valuer employed the WACC in the range from 7.0% to 8.6% as the discount rate, which was calculated with reference to the locations of the solar plants.

Key assumptions used in solar valuation:

- Business plans and financial models covering estimated useful life of solars.
- Annual production of electricity in MWh based on installed capacity and corresponding production coefficient. This production coefficient depends on the geographical location.
- Electricity price forecast for periods without fixed contractual agreements, with the following assumptions:
    - Covered period from 2024 to 2040.
    - Forecast based on modelling inputs: fuel, CO2 allowance prices, installed capacities, required capacity ranges of ancillary services and other (non-fuel) variable costs of generation source.

In view of the nature of the hotels and the bases of valuation, the valuer adopted the discounted cash flow method. Under this method the projected adjusted net operating income for the hotel over 10 years is discounted back to present day using an appropriate discount rate. The value of the hotel derived from the capitalised earnings in the 11th year is also brought back to present values. Capital expenditure is built into the cash flow if appropriate. Capitalisation rates used in hotel valuations range from 8.0% to 9.25% (2022 - from 7.5% to 9.0%).

Sensitivity analysis on changes in assumptions of solars

CTP performed a sensitivity analysis on changes in fair value to changes in price of electricity. The table below presents the sensitivity of fair value as at 31 December 2023, due to changes in assumptions:

In EUR million	Current FV	Effect of decrease in price by 10 %	Effect of increase in price by 10 %
10% Change in price	107.1	-5.2	5.7

Sensitivity analysis on changes in assumptions of hotel valuation

CTP performed a sensitivity analysis on changes in fair value to changes in revenues per available room. The table below presents the sensitivity of fair value as at 31 December 2023, due to changes in assumptions:

In EUR million	Current FV	Effect of decrease in RevPAR by 5 %	Effect of increase in RevPAR by 5 %
5% Change in RevPAR	54.9	-7.7	7.7

CTP performed a sensitivity analysis on changes in fair value to changes in revenues per available room. The table below presents the sensitivity of fair value as at 31 December 2022, due to changes in assumptions:

In EUR million	Current FV	Effect of decrease in RevPAR by 5 %	Effect of increase in RevPAR by 5 %
5% Change in RevPAR	55.5	-10.1	10.1

Real estate infrastructure (such as roads, greenery and energy transformers), including related equipment and means of transport, of EUR 59.7 million (2022 – EUR 61.6 million) is presented under Equipment.

Property, plant and equipment include also right-of-use assets of EUR 7.8 million (2022 – EUR 8.8 million) relating to leased properties that do not meet CTP's definition of investment property (refer to Note 32).

22. GOODWILL AND INTANGIBLE ASSETS

In EUR million	Goodwill	Other intangible assets	Total
Balance at 1 January 2023	171.1	3.5	174.6
Additions/disposals	-	3.4	3.4
Amortisation	-	-1.5	-1.5
Balance at 31 December 2023	**171.1**	**5.4**	**176.5**

In EUR million	Goodwill Restated*	Other intangible assets	Total
Balance at 1 January 2022	-	2.1	2.1
Acquisitions through Business combination	171.1	-	171.1
Additions/disposals	-	2.7	2.7
Amortisation	-	-1.3	-1.3
Balance at 31 December 2022	**171.1**	**3.5**	**174.6**

* The comparative information is restated on account of correction of errors, refer to Note 4.

In 2022, the Group acquired under Business Combination the subsidiary DIR in Germany. As at the date of acquisition, Goodwill of EUR 171.1 million was recognised.

Impairment testing for cash generating unit containing Goodwill

The Goodwill has been allocated to a group of cash-generating units ("CGU") that comprised a German geographical segment (based on internal reporting) limited to assets (incl. surplus land) acquired during the business combination. Goodwill consists of two main building blocks—Deferred tax liability recognised in the financial statements (EUR 34.7 million) and goodwill related to additional lease up/costs potential (EUR 136.5 million).

The recoverable amount of CGU was based on a value in use calculation, determined by discounting the future cash flows ("DCF") to be generated from the continuing use of the CGU. The recoverable amount of the CGU was determined to exceed the carrying amount, so no impairment loss was recognised in 2022, nor in 2023.

The estimate of value in use was determined by using a discount rate and a terminal value growth rate as set out in the table below.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumption represent management's assessment of future trends in real estate and have been based on historical data from both external and internal sources.

In percent	2023	2022
Discount rate	5.89	5.96
Terminal value growth rate	2.00	2.00

The discount rate was a post-tax measure estimated based on industry average weighted-average cost of capital.

The terminal growth rate was determined based on management's estimates of the long-term compound annual EBITDA growth rate, consistent with the assumption that a market participant would make.

Free cash flows used in the DCF calculation are based on the Group segment's KPIs approved by the Board of Directors, adjusted by:

- changes in working capital including cash;
- Rental income and CAPEX related to future development projects.

To estimate the value in use of the CGU, a two-phased DCF method was used. The first phase covers the years 2023–2026 (2022 impairment test) and 2024–2030 (2023 impairment test) followed by a terminal value calculation via the Gordon formula.

CTP budgets for a seven-year period used in the impairment test for the 2023 are based on the assumption that the management is able to assess the budgets reasonably for this period.

The estimated recoverable amount of the CGU exceeds carrying amount of Goodwill by approximately EUR 93.8 million (2022 – EUR 111.2 million).

Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table presents the amount by which these key assumptions would need to equal individually for the estimated recoverable amount to be equal to the carrying amount.

In percent	2023	2022
Discount rate	6.20	6.38
Terminal value growth rate	1.63	1.53

23. TRADE AND OTHER RECEIVABLES

Non-current

In EUR million	2023	2022
Long term advances paid	21.4	14.7
Restricted cash	1.3	1.3
Other assets	1.4	2.0
Total trade and other receivables	**24.1**	**18.0**

Non-current trade and other receivables consist primarily of long-term advances paid for land and tangible assets.

Current

In EUR million	2023	2022
Trade receivables	64.7	54.6
Other assets	126.7	113.2
Other tax receivables	75.2	67.8
Total trade and other receivables	**266.6**	**235.6**

Trade receivables consist primarily of receivables from rent and rent related income.

Other assets consist primarily of deferrals of EUR 14.4 million (2022 – EUR 10.1 million), advance payments and accrued income of EUR 68.7 million (2022 – EUR 69.2 million) and prepayments of EUR 43.6 million (2022 – EUR 34.0 million).

Short-term receivables overdue more than six months total EUR 4.4 million (2022 – EUR 5.3 million). Total expected credit losses are EUR 5.2 million (2022 – EUR 5.6 million).

Other tax receivables consist primarily of value added tax receivables of EUR 74.1 million (2022 – EUR 67.0 million).

Trade receivables can be analysed as follows, whereas the weighted average loss rate is determined as actual credit losses over the past two years.

as at 31 December 2023

In EUR million	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
Current (not past due)	0.69%	42.7	-0.3	42.4	No
1 - 30 days past due	1.74%	17.8	-0.3	17.5	No
31 - 60 days past due	6.36%	3.1	-0.2	2.9	No
61 - 90 days past due	11.04%	1.3	-0.1	1.2	No
91 - 182 days past due	28.41%	0.6	-0.2	0.4	No
184 - 365 days past due	86.15%	2.3	-2.0	0.3	Yes
Paid in more than 365 days past due	100.00%	2.1	-2.1	-	Yes
Balance at 31 December 2023		**69.9**	**-5.2**	**64.7**	

as at 31 December 2022

In EUR million	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount	Credit-impaired
Current (not past due)	0.83%	39.5	-0.3	39.2	No
1 -30 days past due	1.84%	10.6	-0.2	10.4	No
31 - 60 days past due	7.30%	1.7	-0.1	1.6	No
61 - 90 days past due	10.33%	1.6	-0.2	1.4	No
91 - 182 days past due	36.36%	1.5	-0.5	1.0	No
184 - 365 days past due	65.06%	2.9	-1.9	1.0	Yes
Paid in more than 365 days past due	100.00%	2.4	-2.4	-	Yes
Balance at 31 December 2022		**60.2**	**-5.6**	**54.6**	

24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of EUR 690.6 million (2022 – EUR 660.6 million) consist primarily of short-term deposits of EUR 467.2 million (2022– EUR 221.2 million) and cash at bank accounts of EUR 223.4 million (2022 – EUR 439.3 million).

Restricted cash amounts to EUR 1.3 million (2022 – EUR 1.3 million) and is presented under non-current trade and other receivables. Restricted cash represents balances on debt service reserve accounts.

25. EQUITY

Issued capital and Share premium

Current financial year
As at 31 December 2023, the issued capital comprised of the following:

Type of shares	No. of shares	Nominal value of share	Issued capital In EUR million
Ordinary shares	448,182,458	EUR 0.16	71.7
Treasury shares	-27,976	EUR 0.16	-0.0
Total	**448,154,482**	**EUR 0.16**	**71.7**

Ordinary shares
Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Treasury shares
In 2022, the Company acquired during the merger transaction ordinary shares in total of 27,976 pcs for a total consideration of EUR 545,858 at an average cost of EUR 19.51 per share.

MOVEMENTS IN ISSUED CAPITAL AND SHARE PREMIUM

		Nr. of shares	Issued capital In EUR million	Share premium In EUR million
Balance at 1 January 2023		**444,100,549**	**71.1**	**3,203.0**
18 May 2023	Dividend paid	2,221,102	0.3	-76.2
4 September 2023	Dividend paid	1,860,807	0.3	-88.4
Balance at 31 December 2023		**448,182,458**	**71.7**	**3,038.4**
Treasury shares		-27,976	-	-0.5
Total balance at 31 December 2023		**448,154,482**	**71.7**	**3,037.9**

On 16 May 2023, CTP N.V. announced a final 2022 dividend of EUR 0.23 per ordinary share. Shareholders were given the choice to receive the final dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company's shares on Euronext Amsterdam on the last three trading days of the election period, ending on 15 May 2023. The number of dividend rights that entitles to one new ordinary share was set at 51.42.

Shareholders representing approximately 74% of the total number of outstanding ordinary shares chose to receive the dividend in cash, while shareholders representing 26% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 2,221,102 to a total of 446,321,651 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 18 May 2023.

On 30 August 2023, an interim dividend of EUR 0.25 per share for the first half of 2023 was announced. Shareholders were given the choice to receive the dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company's shares on Euronext Amsterdam on the last three trading days of the election period, ending on 29 August 2023. The number of dividend rights that entitles to one new ordinary share was set at 50.53.

Shareholders representing approximately 79% of the total number of outstanding ordinary shares chose to receive the interim dividend in cash, while shareholders representing approximately 21% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 1,860,807 to a total of 448,182,458 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 4 September 2023.

Prior financial year
As at 31 December 2022, the issued capital was comprised of the following:

Type of shares	No. of shares	Nominal value of share	Issued capital In EUR million
Ordinary shares	444,100,549	EUR 0.16	71.1
Treasury shares	-27,976	EUR 0.16	-0.0
Total	**444,072,573**	**EUR 0.16**	**71.1**

		Nr. of shares	Issued capital In EUR million	Share premium Restated* In EUR million
Balance at 1 January 2022		**400,392,810**	**64.1**	**2,662.0**
3 February 2022	Share issuance connected with DIR acquisition	32,421,325	5.2	562.2
9 June 2022	Dividend paid	763,581	0.1	-68.0
23 August 2022	Share issuance connected with merger of DIR and CTP N.V.	7,659,590	1.2	103.4
5 September 2022	Dividend paid	2,863,243	0.5	-56.6
Balance at 31 December 2022		**444,100,549**	**71.1**	**3,203.0**
Treasury shares		**-27,976**	**-**	**-0.5**
Total balance at 31 December 2022		**444,072,573**	**71.1**	**3,202.5**

* The comparative information is restated on account of correction of errors, refer to Note 4.

On 3 February 2022, the Group acquired DIR (currently CTP Deutschland B.V.). CTP offered either a cash consideration of EUR 17.12 or a share consideration of 1.25 shares in the share capital of CTP (the "CTP Shares") for each tendered DIR Share (the "Share Consideration"). The transaction resulted in the issuance of 32,421,325 new shares of CTP N.V. For details refer to Note 7.

Following its Annual General Meeting on 26 April 2022, CTP N.V. announced a final 2021 dividend of EUR 0.18 per ordinary share. Shareholders were given the choice to receive the final dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company's shares on Euronext Amsterdam of the last three trading days of the election period, ending on 18 May 2022. The number of dividend rights that entitles to one new ordinary share was set at 72.5.

Shareholders representing approximately 88% of the total number of outstanding ordinary shares chose to receive the dividend in cash, while shareholders representing 12% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 763,581 to a total of 433,577,716 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 9 June 2022.

On 23 August 2022 CTP N.V. completed the merger with DIR (acquired on 3 February 2022). As a result of the merger, CTP N.V. acquired shares from former shareholders of DIR. CTP offered a share consideration of 1.25 shares in the share capital of CTP (the "CTP Shares") for each tendered DIR Share. The transaction resulted in issuance of 7,659,590 new shares of CTP N.V.

On 10 August 2022, an interim dividend of EUR 0.22 per share for the first half of 2022 was announced. Shareholders were given the choice to receive the final dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company's shares on Euronext Amsterdam of the last three trading days of the election period, ending on 29 August 2022. The number of dividend rights that entitles to one new ordinary share was set at 62.5. Shareholders representing approximately 59% of the total number of outstanding ordinary shares chose to receive the interim dividend in cash, while shareholders representing approximately 41% of the total number of outstanding ordinary shares opted for payment in stock. Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 2,863,243 to a total of 444,100,549 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 5 September 2022.

Cash flow hedge reserve
Changes in the fair value of derivatives designated as hedging instruments and recognised in the cash flow hedge reserve in equity reached EUR 0.1 million net of tax as at 31 December 2023 (2022 – EUR 23.7 million). Decrease of EUR 23.6 million was caused mainly due to a decrease in market rates.

Translation reserve
The translation reserve of EUR 2.1 million (2022 – EUR 4.5 million) comprises all foreign exchange differences arising from the translation of the financial statements from the functional to the presentation currency (refer to Note 3f).

Revaluation reserve
Changes in the fair value of Property, plant and equipment valued under revaluation model is recognised in the revaluation reserve in equity reached EUR 29.0 million (net of tax) as at 31 December 2023 (2022 – EUR 18.4 million).

Dividends
In May 2023, the Group paid a final dividend for the year 2022 of EUR 102.1 million, out of which EUR 75.9 million was paid in cash and the rest of dividends were paid in the form of new shares.

In September 2023, the Group paid an interim dividend for the year 2023 of EUR 111.6 million, out of which EUR 88.1 million was paid in cash and the rest of dividends were paid in the form of new shares.

In June 2022, the Group paid a final dividend for the year 2021 of EUR 77.9 million, out of which EUR 67.9 million was paid in cash and the rest of dividends were paid in the form of new shares.

In September 2022, the Group paid an interim dividend for the year 2022 of EUR 95.4 million, out of which EUR 56.0 million was paid in cash and the rest of dividends were paid in the form of new shares.

26. SHARE-BASED PAYMENTS

On 30 April 2023 and 30 April 2022, the Company granted a conditional share award under the LTIP to a Director. This award has a vesting period of three years, and vesting is subject to continued services up to vesting and depends on the Company's total shareholder return ("TSR"). Vesting of 50% of the number of awards granted is subject to an Absolute TSR condition, and 50% is subject to a Relative TSR condition. The number of awards that will vest is between 0% and 150% of the target number of awards granted. The vesting percentage is allocated linearly between the threshold level and the maximum level.

The fair value of the awards is expensed on a straight-line basis over the three-year vesting period. In 2023, the total share-based payment expense recognised for the equity-settled awards was EUR 0.2 million (2022 – EUR 0.1 million).

In 2023, expected bonus for employees of EUR 2.5 million (2022 – EUR 0 million) was recognised in equity of the Group. Bonus will be paid in form of CTP shares in 2024.

27. EARNINGS PER SHARE

Basic earnings per share ("EPS")
Basic EPS calculations are based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

In EUR million	1.1.2023 - 31.12.2023	Restated* 1.1.2022 - 31.12.2022
Profit/loss(-) attributable to Equity holders of the Company	922.6	766.6
Profit/loss(-) attributable to ordinary shareholders	**922.6**	**766.6**

	1.1.2023 - 31.12.2023	1.1.2022 - 31.12.2022
Issued ordinary shares at 1 January	444,072,573	400,392,810
Treasury shares held at 1 January	-27,976	-
Effects of shares issued in 2023/2022	2,022,078	33,588,692
Weighted-average number of ordinary shares at 31 December	**446,066,675**	**433,981,502**
Earnings per share	**2.07**	**1.77**

* The comparative information is restated on account of correction of errors, refer to Note 4.

The denominator in the calculation of basic EPS for the years 2023 and 2022 is the weighted average number of ordinary shares less treasury shares as at 31 December 2023 and 31 December 2022, respectively.

Diluted earnings per share

The calculation of diluted EPS is based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

In EUR million	1.1.2023 - 31.12.2023	Restated* 1.1.2022 - 31.12.2022
Profit/loss(-) attributable to Equity holders of the Company (basic)	922.6	766.6
Profit/loss(-) attributable to ordinary shareholders	**922.6**	**766.6**

	1.1.2023 - 31.12.2023	1.1.2022 - 31.12.2022
Weighted-average number of ordinary shares (basic)	446,066,675	433,981,502
Long-term incentive plan	42,841	28,913
Weighted-average number of ordinary shares (diluted) at 31 December	**446,109,516**	**434,010,415**
Earnings per share (diluted)	**2.07**	**1.77**

* The comparative information is restated on account of correction of errors, refer to Note 4.

28. NON-CONTROLLING INTEREST

Current financial year
As at 31 December 2023, non-controlling interest is EUR 0.0 million (2022 – EUR 0.0 million).

Prior financial year
On 3 February 2022, the Group acquired 80.9 % ownership interest in DIR (currently CTP Deutschland B.V.). For details refer to Note 7.

Share of non-controlling interest as at date of acquisition corresponds to 19.1% of the outstanding share capital in DIR.

In EUR million	3 February 2022 Restated*
NCI percentage	19.10%
Non-current assets	876.9
Current assets	122.5
Non-current liabilities**	-411.8
Current liabilities	-97.8
Net assets	**489.8**
Net assets attributable to NCI	**93.6**

* The comparative information is restated on account of correction of errors, refer to Note 4.
** Non-current liabilities also include the pre-acquisition loan of EUR 67.5 million provided by CTP N.V. to DIR.

On 23 August 2022, CTP N.V. completed the merger with DIR. As a result of the merger, the legal integration of DIR into the CTP group was completed. CTP acquired 100% ownership of DIR and the entity ceased to exist without liquidation. For details refer to Note 7.

As at date of cross border merger and acquisition of additional 19.1% of ownership interest in DIR, with impact on Equity of EUR 13.5 million, the information related to acquired share are as follows:

	Restated*
Net assets attributable to NCI as at date of acquisition	**93.6**
Revenue	35.8
Profit	-12.8
Other comprehensive income	-
Total comprehensive income	**-12.8**
Other Adjustment in profit loss allocated to NCI	-
Profit/(loss) allocated to NCI	**-2.4**
OCI allocated to NCI	**-**
Net assets attributable to NCI as at date of merger/demerger	**91.2**

*The comparative information is restated on account of correction of errors, refer to Note 4.

In 2022, the Group also acquired an additional 9.9% ownership interest in CTP Delta B.V. with impact on Equity of EUR 2.3 million.

29. INTEREST-BEARING LOANS AND BORROWINGS FROM FINANCIAL INSTITUTIONS

In EUR million	2023	2022
Non-current liabilities		
Interest-bearing loans and borrowings from financial institutions	3,343.1	1,874.5
Accrued arrangement fees	-14.9	-6.4
Balance at 31 December	**3,328.2**	**1,868.1**
Current liabilities		
Interest-bearing loans and borrowings from financial institutions	45.7	24.7
Accrued interest	4.8	0.6
Accrued arrangement fees	-0.5	-0.6
Balance at 31 December	**50.0**	**24.7**
Total balance at 31 December	**3,378.2**	**1,892.8**

In EUR million	2023	2022
Non-current interest-bearing loans and borrowings from financial institutions	3,343.1	1,874.5
Current interest-bearing loans and borrowings from financial institutions	45.7	24.7
Total balance at 31 December	**3,388.8**	**1,899.2**

In EUR million	2023		2022	
	Nominal value	Fair value	Nominal value	Fair value
Interest-bearing loans and borrowings from financial institutions	3,388.8	3,112.3	1,899.2	1,545.4

The valuation model of fair value of bank loans considers the present value of expected payments, discounted using risk adjusted discount rate.

The Group has determined that all of its Interest-bearing loans and borrowings from financial institutions are classified within Level 2 of the fair value hierarchy.

To determine the fair value of such instruments, management used a valuation technique in which all significant inputs were based on observable market data.

Group's interest-bearing loans and borrowings from financial institutions typically have financial covenants like loan-to-value and debt service coverage ratio. As at 31 December 2023, there was no breach of covenant conditions.

Bank loans are secured over investment property with a carrying amount of EUR 6,361.5 million (2022 – EUR 4,332.4 million) and investment property under development with a carrying amount of EUR 0.0 million (2022 – EUR 295.3 million).

Bank loans are secured also by pledges of shares, receivables, future receivables and other assets in some of the subsidiaries. Share pledges related to interest-bearing loans are described in Note 39.

The residual maturity of loans and borrowings from financial institutions as at 31 December 2023 and 31 December 2022 was as follows:

	Balance as at 31 December 2023				
In EUR million	1 year	2 years	Due within 3-5 years	Due in follow. years	Total
Interest-bearing loans and borrowings from financial institutions	45.7	90.0	655.2	2,597.9	**3,388.8**

	Balance as at 31 December 2022				
In EUR million	1 year	2 years	Due within 3-5 years	Due in follow. years	Total
Interest-bearing loans and borrowings from financial institutions	24.7	29.2	130.7	1,714.6	**1,899.2**

In 2023, the Group received bank loans with a total nominal value of EUR 1,557.0 million, out of which EUR 1,491.9 million was draw-down. Bank loans have fixed all-in costs interest rates in range from 4.45% to 5.47% due in 2028, 2029, 2030 and 2033, respectively.

Fixed all-in cost includes effect of hedging.

Prior period
In September 2022, the Group received a syndicated bank loan of EUR 445.0 million, with a fixed interest rate of 4.71%, due in 2029.

In December 2022, the Group received a bank loan of EUR 175.0 million, with variable interest rate of 3M EURIBOR with a 1.80% margin, due in 2031.

Reconciliation of movements of assets, liabilities and equity to cash flows arising from financing activities

In EUR million	Bank loans	Related party loans	Bonds	Lease liabilities	Derivative financial instruments	Issued capital	Share premium	Retained earnings	Non-con-trolling interest	Cash flow hedge reserve	Total
Balance as at 1 January 2023	**1,892.8**	**-**	**3,981.4**	**48.5**	**-36.4**	**71.1**	**3,202.5**	**2,100.8**	**-**	**23.7**	**11,284.4**
Changes from financing cash flows											
Proceeds from bonds	-	-	-	-	-	-	-	-	-	-	-
Proceeds from loans and borrowings	1,492.8	-	-	-	-	-	-	-	-	-	1,492.8
Transaction costs related to loans and borrowings, bonds and issue of shar capital	-11.2	-	-	-	-	-	-	-	-	-	-11.2
Repayment of the loans and borrowings and bonds	-27.9	-	-400.0	-	-	-	-	-	-	-	-427.9
Dividend in cash	-	-	-	-	-	0.6	-164.6	-	-	-	-164.0
Payment of lease liabilities	-	-	-	-3.6	-	-	-	-	-	-	-3.6
Total changes in financing cash flows	**1,453.7**	**-**	**-400.0**	**-3.6**	**-**	**0.6**	**-164.6**	**-**	**-**	**-**	**886.1**
Change in fair value	**-**	**-**	**-**	**-**	**18.6**	**-**	**-**	**-**	**-**	**-31.8**	**-13.2**
Other adjustment	-4.3	0.3	-0.8	4.8	-0.2	-	-	2.7	-	8.2	10.7
Acquisition of subsidiaries	27.1	-	-	-	-	-	-	-	-	-	27.1
Profit for the period	-	-	-	-	-	-	-	922.6	-	-	922.6
Interest expense incl. arrangement fee	85.8	-	48.9	-	-8.7	-	-	-	-	-	126.0
Interest paid	-76.9	-	-39.5	-	5.6	-	-	-	-	-	-110.8
Other liability related changes	**31.7**	**0.3**	**8.6**	**4.8**	**-3.3**	**-**	**-**	**925.3**	**-**	**8.2**	**975.6**
Balance at 31 December 2023	**3,378.2**	**0.3**	**3,590.0**	**49.7**	**-21.1**	**71.7**	**3,037.9**	**3,026.1**	**-**	**0.1**	**13,132.9**

In EUR million	Bank loans	Related party loans	Bonds	Lease liabilities	Derivative financial instruments	Issued capital	Share premium	Retained earnings	Non-con-trolling interest	Cash flow hedge reserve	Total Restated*
Balance as at 1 January 2022	**1,131.3**	**-**	**3,381.7**	**13.8**	**-0.2**	**64.1**	**2,662.0**	**1,350.9**	**-**	**-**	**8,603.6**
Changes from financing cash flows											
Proceeds from bonds	-	-	733.4	-	-	-	-	-	-	-	733.4
Proceeds from loans and borrowings	629.1	-	-	-	-	-	-	-	-	-	629.1
Transaction costs related to loans and borrowings, bonds and issue of shar capital	-2.6	-	-2.2	-	-	-	-	-	-	-	-4.8
Acquisition of NCI	-	-	-	-	-	1.2	103.4	-15.7	-91.2	-	-2.3
Repayment of the loans and borrowings and bonds	-101.6	-	-289.6	-	-	-	-	-	-	-	-391.2
Dividend in cash	-	-	-	-	-	0.6	-124.6	-	-	-	-124.0
Payment of lease liabilities	-	-	-	-3.0	-	-	-	-	-	-	-3.0
Total changes in financing cash flows	**524.9**	**-**	**441.6**	**-3.0**	**-**	**1.8**	**-21.2**	**-15.7**	**-91.2**	**-**	**837.2**
Change in fair value	**-**	**-**	**-**	**-**	**-36.0**	**-**	**-**	**-**	**-**	**31.9**	**-4.1**
Other adjustment	-1.1	-	2.6	12.1	-0.1	-	-	-1.0	-	-8.2	4.3
Share issuance related to DIR	-	-	-	-	-	5.2	561.7	-	-	-	566.9
Acquisition of subsidiaries	233.0	-	140.0	25.6	-0.1	-	-	-	93.6	-	492.1
Profit for the period	-	-	-	-	-	-	-	766.6	-2.4	-	764.2
Interest expense incl. arrangement fee	35.2	-	49.5	-	0.3	-	-	-	-	-	85.0
Interest paid	-30.5	-	-34.0	-	-0.3	-	-	-	-	-	-64.8
Other liability related changes	**236.6**	**-**	**158.1**	**37.7**	**-0.2**	**5.2**	**561.7**	**765.6**	**91.2**	**-8.2**	**1,847.7**
Balance at 31 December 2022	**1,892.8**	**-**	**3,981.4**	**48.5**	**-36.4**	**71.1**	**3,202.5**	**2,100.8**	**-**	**23.7**	**11,284.4**

30. BONDS

In EUR million	2023	2022
Non-current bonds	3,571.3	3,563.8
Current bonds	18.7	417.6
Total Bonds	**3,590.0**	**3,981.4**

Reconciliation of movements

In EUR million	31 December 2023	31 December 2022
Bonds issued - nominal value	4,299.5	4,299.5
Repayment of bonds – nominal value	-718.2	-318.2
Bonds acquired	140.0	140.0
Repayment of bonds acquired	-120.0	-120.0
Nominal value of bonds	**3,601.3**	**4,001.3**
Interest liability	18.7	19.0
Discount applied	-43.1	-43.2
Amortisation of applied discount	17.2	10.2
Bond issuance costs	-8.9	-8.9
Amortisation of bond issuance costs	4.8	3.0
Total carrying value of bonds	**3,590.0**	**3,981.4**

Current period

BONDS ISSUED BY CTP N.V.

Bond Issuance Date	ISIN	Nominal value of total bonds issued in EUR million	Nominal value of each bond in EUR	Currency	Type	Fix interest rate per annum ("p.a")	Maturity date	Fair value of bonds in EUR million
1 July 2022	XS2390546849	49.5	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	38.5
20 Jan 2022	XS2434791690	700.0	100,000	EUR	senior unsecured	0.875%	20 Jan 2026	650.0
27 Sept 2021	XS2390530330	500.0	100,000	EUR	senior unsecured	0.625%	27 Sept 2026	449.8
27 Sept 2021	XS2390546849	500.0	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	389.0
21 June 2021	XS2356029541	500.0	100,000	EUR	senior unsecured	0.500%	21 June 2025	470.8
21 June 2021	XS2356030556	500.0	100,000	EUR	senior unsecured	1.250%	21 June 2029	412.9
18 Feb 2021	XS2303052695	500.0	100,000	EUR	senior unsecured	0.750%	18 Feb 2027	446.6
1 Oct 2020	XS2238342484	331.8	100,000	EUR	senior unsecured	2.125%	1 Oct 2025	318.7
Total		**3,581.3**						**3,176.3**

BONDS ACQUIRED

9 June 2021	DE000A3E5L07	20.0	100,000	EUR	senior unsecured	3.300%	9 June 2031	17.8
Total Bonds		**3,601.3**						**3,194.1**

In EUR million		**31 December 2023**		**31 December 2022**
	Nominal value	Fair value	Nominal value	Fair value
Bonds	**3,601.3**	**3,194.1**	**4,001.3**	**3,093.3**

On 27 November 2023, the Group repaid bonds from the emission with ISIN XS2264194205 in a nominal value of EUR 400.0 million.

Prior period

BONDS ISSUED BY CTP N.V.

Bond Issuance Date	ISIN	Nominal value of total bonds issued in EUR million	Nominal value of each bond in EUR	Currency	Type	Fix interest rate per annum ("p.a")	Maturity date	Fair value of bonds in EUR million
1 July 2022	XS2390546849	49.5	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	30.0
20 Jan 2022	XS2434791690	700.0	100,000	EUR	senior unsecured	0.875%	20 Jan 2026	572.0
27 Sept 2021	XS2390530330	500.0	100,000	EUR	senior unsecured	0.625%	27 Sept 2026	382.9
27 Sept 2021	XS2390546849	500.0	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	302.9
21 June 2021	XS2356029541	500.0	100,000	EUR	senior unsecured	0.500%	21 June 2025	419.9
21 June 2021	XS2356030556	500.0	100,000	EUR	senior unsecured	1.250%	21 June 2029	330.2
18 Feb 2021	XS2303052695	500.0	100,000	EUR	senior unsecured	0.750%	18 Feb 2027	374.6
27 Nov 2020	XS2264194205	400.0	100,000	EUR	senior unsecured	0.625%	27 Nov 2023	379.8
1 Oct 2020	XS2238342484	331.8	100,000	EUR	senior unsecured	2.125%	1 Oct 2025	286.8
Total		**3,981.3**						**3,079.1**
Bonds acquired								
9 June 2021	DE000A3E5L07	20.0	100,000	EUR	senior unsecured	3.300%	9 June 2031	14.2
Total Bonds		**4,001.3**						**3,093.3**

On 20 January 2022, the Group has issued a new bond with the emission ISIN XS2434791690 in the nominal value of EUR 700.0 million.

On 24 January 2022, the Group repaid bonds from the emission with ISIN XS2238342484 in anominal value of EUR 168.2 million.

On 3 February 2022, the Group acquired the subsidiary DIR, where bonds with a nominal value of EUR 138.0 million were acquired as follows:

ISIN	Nominal value of total bonds issued in EUR million	Currency	Fix interest rate per annum ("p.a")	Maturity date
DE000A3E5L07	20.0	EUR	3.300%	9 June 2031
DE000A2GS3T9	118.0	EUR	4.000%	30 August 2022
	138.0			

On 17 May 2022, the Group repaid bonds from the emission with ISIN DE000A2GS3T9 (acquired within DIR) with a nominal value of EUR 118.0 million.

On 1 July 2022, CTP N.V. issued EUR 49.5 million unsecured bonds with a nominal value of EUR 100,000 each under emission from 27 September 2021 with ISIN number XS2390546849. The bonds are issued as subordinated, with a fixed interest rate of 1.5% per annum ("p.a."), and the bonds are due on 27 September 2031.

Transaction costs paid in cash as at 31 December 2023 were EUR 0.0 million (2022 – EUR 2.2 million).

Financial covenants related to bonds consist of a leverage ratio tests, secured debt tests, interest cover ratio and unencumbered assets tests. During the current period, the Group did not breach any of its covenants, nor did it default on any of its obligations under its agreements.

31. TRADE AND OTHER PAYABLES

Non-current

In EUR million	2023	2022
Non-current trade payables and other liabilities	100.4	58.0
Liabilities from operating leases	47.1	46.0
Balance at 31 December	**147.5**	**104.0**

Non-current trade and other payables consist primarily of construction retention and tenant deposits.

Current

In EUR million	2023	2022
Trade payables and other liabilities	344.9	308.2
Tax liabilities	19.4	10.2
Liabilities from operating leases	2.6	2.5
Balance at 31 December	**366.9**	**320.9**

In 2023 and 2022, trade payables and other liabilities consist primarily of liabilities for constructions works.

32. LEASES

Leases as lessee

The Group leases various types of assets: offices, parking places, plots of land and other small assets. For short-term leases and leases of low-value items, the Group has elected not to recognise right-of-use assets and related lease liabilities.

The leasing period of the offices varies significantly, from one to 17 years. Some leases provide for additional rent payments that are based on changes in local price indices, with an option to terminate the contract within less than twelve months.

Parking places are leased for a period of several months up to an indefinite period, with an option to terminate the leasing within several days up to three months.

Plots of land to operate Group premises are leased from a nineteen-year period to indefinitely.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets related to leased assets that do not meet the definition of investment property are presented as property, plant and equipment (refer to Note 21).

In EUR million	Property, plant and equipment	Investment property	Landbank	Investment property under development	Total
Balance at 1 January 2023	**8.8**	**28.1**	**4.7**	**17.7**	**59.3**
Acquisitions	-	-	-	-	-
Additions	0.2	2.2	0.3	0.1	2.8
Transfer from investment property under development	-	17.0	-	-17.0	-
Transfer to owned buildings and land	-	-	-	-	-
Depreciation	-1.2	-	-	-	-1.2
Balance at 31 December 2023	**7.8**	**47.3**	**5.0**	**0.8**	**60.9**

In EUR million	Property, plant and equipment	Investment property	Landbank	Investment property under development	Total
Balance at 1 January 2022	**4.4**	**2.0**	**-**	**18.2**	**24.6**
Acquisitions	-	25.6	4.7	-	30.3
Additions	5.3	-	-	-	5.3
Transfer from investment property under development	-	-	-	-0.5	-0.5
Transfer to owned buildings and land	-	0.5	-	-	0.5
Depreciation	-0.9	-	-	-	-0.9
Balance at 31 December 2022	**8.8**	**28.1**	**4.7**	**17.7**	**59.3**

AMOUNTS RECOGNISED IN PROFIT OR LOSS

In EUR million	2023	2022
Interest on lease liabilities	2.3	1.8
Expenses relating to short-term leases	0.2	0.2
Expenses relating to leases of low-value assets	0.1	-
Balance at 31 December	**2.6**	**2.0**

AMOUNTS RECOGNISED IN STATEMENT OF CASH FLOWS

In EUR million	2023	2022
Total cash outflows for leases	**3.6**	**3.0**

The remaining performance obligations as at 31 December 2023 are as follows:

In EUR million	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Lease payments	2.6	1.4	1.3	1.2	1.0	42.2	**49.7**

The remaining performance obligations as at 31 December 2022 are as follows:

In EUR million	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Lease payments	2.4	1.4	1.3	1.2	1.2	41.0	**48.5**

Leases as lessor
The Group leases out its own investment property. All leases are classified as operating leases from a lessor perspective because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Group during 2023 was EUR 571.9 million (2022 – EUR 485.0 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting period.

In EUR million	< 1 year	2-5 years	> 5 years	Total
Lease payments	718.8	2,406.1	2,603.8	5,728.7

33. DERIVATIVE FINANCIAL INSTRUMENTS

In EUR million	2023	2022
Fair value of derivatives - non-current asset	10.6	9.2
Fair value of derivatives - current asset	38.1	41.9
Fair value of derivatives - assets	**48.7**	**51.1**
Fair value of derivatives - non-current liability	-10.6	-2.0
Fair value of derivatives - current liability	-17.0	-12.7
Fair value of derivatives - liabilities	**-27.6**	**-14.7**
Total	**21.1**	**36.4**

All financial derivatives were stated at fair value as at 31 December 2023 and 31 December 2022, respectively, and classified to Level 2 in the fair value hierarchy. A market comparison technique was used to determine fair value.

Derivatives are considered to be short-term or long-term based on their settlement dates or mandatory breaks.

The Group has designated certain derivatives as hedging instruments in cash flow hedge relationships. These derivatives are recognised initially at fair value and reported subsequently at fair value in the consolidated statement of financial position. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity (refer to Note 25).

As at 31 December 2023 CTP held the following derivative financial instruments:

Derivative financial instruments - assets	Due within maturitydate	Mandatory break	Receiving leg	Paying leg	Currency	Nominal amount (in million)	Fair value (in EUR million)
Interest rate swaps – cash flow hedge*	2028 –2053	2025	6M Euribor, Fixed 2.918%	From 2.1265% to 3.293%, 6M Euribor	EUR	1,258.0 EUR	43.0
Interest rate swaps	2025 –2030	-	3M Euribor	From -0.295% to 0.21%	EUR	88.8 EUR	5.7
Total receivables from derivatives							**48.7**

* Cash flow hedge derivatives of EUR 35.8 million (2022 – EUR 39.0 million) are presented as short-term.

Derivative financial instruments - liabilities	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal amount (in million)	Fair value (in EUR million)
Interest rate swaps – cash flow hedge	2028 –2053	2024	3M Euribor, 6M Euribor	From 2.5975% to 3.508%	EUR	703.5 EUR	-27.6
Total liabilities from derivatives							**-27.6**

As at 31 December 2022 CTP held the following derivative financial instruments:

Derivative financial instruments - assets	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal amount (in million)	Fair value (in EUR million)
Interest rate swaps – cash flow hedge	2028 –2053	*	3M Euribor – 6M Euribor	From 2.1265% to 2.5975%	EUR	725.0 EUR	44.1
Interest rate swaps	2025 –2030	-	3M Euribor	from -0.295% to 0.21%	EUR	70.0 EUR	7.0
Total receivables from derivatives							**51.1**

* Cash flow hedge derivatives of EUR 39.0 million have mandatory break in 2023 and are presented as short-term.

Derivative financial instruments - liabilities	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal amount (in million)	Fair value (in EUR million)
Interest rate swaps – cash flow hedge	2030 – 2053	2023	6M Euribor	from 2.609% to 2.652%	EUR	375.0 EUR	-12.1
Interest rate swaps	2025 – 2028	-	3M Euribor	from 0.04% to 0.2%	EUR	23.5 EUR	-2.6
Total liabilities from derivatives							**-14.7**

34. INCOME TAXES

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

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

In EUR million			2023			2022 Restated*
	Assets	Liability	Net	Assets	Liability	Net
Investment property	7.6	-1,169.9	-1,162.3	11.7	-927.2	-915.5
Tax losses	19.4	-	19.4	11.0	-	11.0
Property, plant and equipment	-	-2.3	-2.3	-	-	-
Other (receivables, hedge accounting etc.)	14.6	-22.5	-7.9	16.6	-42.7	-26.1
Tax asset/liabilities(-)	**41.6**	**-1,194.7**	**-1,153.1**	**39.3**	**-969.9**	**-930.6**
Set-off of tax	-27.3	27.3	-	-21.4	21.4	-
Net tax assets/liabilities(-)	**14.3**	**-1,167.4**	**-1,153.1**	**17.9**	**-948.5**	**-930.6**

* The comparative information is restated on account of correction of errors, refer to Note 4.

Movement in Deferred tax during the year recognised in profit and loss, in equity and in OCI

In EUR million	Balance as at 1 January 2023	Change in temporary differences	Change through business combination	Deferred tax recognised in OCI	Effect of changes in FX rates	Balance as at 31 December 2023
Investment property	-915.5	-252.7	-	-	5.9	-1,162.3
Tax losses	11.0	8.5	-	-	-0.1	19.4
Property, plant and equipment	-	-0.9	-	-1.4	-	-2.3
Other (receivables, hedge accounting etc.)	-26.1	9.8	-	8.2	0.2	-7.9
Total	**-930.6**	**-235.3**	**-**	**6.8**	**6.0**	**-1,153.1**

In EUR million Restated*	Balance as at 1 January 2022	Change in temporary differences	Change through business combination	Deferred tax recognised in OCI	Effect of changes in FX rates	Balance as at 31 December 2022
Investment property	-725.8	-145.1	-38.7	-	-5.9	-915.5
Tax losses	9.5	1.4	-	-	0.1	11.0
Property, plant and equipment	1.2	-1.4	-	0.2	-	-
Other (receivables, hedge accounting etc.)	-7.6	-10.1	-	-8.3	-0.1	-26.1
Total	**-722.7**	**-155.2**	**-38.7**	**-8.1**	**-5.9**	**-930.6**

* The comparative information is restated on account of correction of errors, refer to Note 4.

Unrecognised deferred tax assets

Deferred tax assets were not recognised in respect of the following items, as it is improbable that future taxable profit will be available against which the Group can use the benefits.

In EUR million	2023		2022	
	Gross amount	Tax effect	Gross amount	Tax effect
Tax losses	19.7	3.8	24.3	4.2
Total	**19.7**	**3.8**	**24.3**	**4.2**

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows.

In EUR million	2023	Expiry date	2022	Expiry date
Expire	19.7	2024-2029	24.3	2023-2028
Never expire	-		-	
Total	**19.7**		**24.3**	

Amounts recognised in OCI

In EUR million	2023			2022		
Items that will not be reclassified to profit or loss	Gross amount	Tax effect	Net of tax	Gross amount	Tax effect	Net of tax
Revaluation of PPE	12.1	-1.5	10.6	-1.0	0.2	-0.8
Items that are or may be reclassified to profit or loss						
Change in Cash flow hedge reserve	-31.8	8.2	-23.6	32.0	-8.3	23.7
Change in Translation reserve	-3.0	0.6	-2.4	-7.5	1.3	-6.2

Current income tax assets and payables

The current income tax asset of EUR 9.4 million (2022 – EUR 6.2 million) represents the amount of income tax recoverable in respect of current and prior periods (i.e., the amount by which the advance payments made exceed income tax payable).

The current income tax liabilities of EUR 28.4 million (2022 – EUR 16.5 million) represent payables in respect of current or prior periods (i.e., the amount by which the income tax payable exceeds advance payments made).

35. SUBSIDIARIES

The Company had the following investments in subsidiaries as at 31 December 2023 and 31 December 2022 respectively:

Subsidiaries	Country	2023	2022	Note
CTP Alpha GmbH	Austria	100%	100%	
CTP Beta GmbH	Austria	100%	100%	
CTP Delta GmbH	Austria	100%	100%	
CTP Energy GmbH	Austria	100%	0%	2/
CTP Epsilon GmbH	Austria	100%	100%	
CTP Eta GmbH	Austria	100%	100%	
CTP Gamma GmbH	Austria	100%	100%	
CTP Invest Immobilien GmbH	Austria	100%	100%	
CTP Iota GmbH	Austria	100%	100%	
CTP Kappa GmbH	Austria	100%	0%	2/
CTP Lambda GmbH	Austria	100%	0%	2/
CTP Mu GmbH	Austria	100%	0%	2/
CTP Nu GmbH	Austria	100%	0%	2/
CTP Omicron GmbH	Austria	100%	0%	2/
CTP Pi GmbH	Austria	100%	0%	2/
CTP Theta GmbH	Austria	100%	100%	
CTP Xi GmbH	Austria	100%	0%	2/
CTP Zeta GmbH	Austria	100%	100%	
CTP Energy Bulgaria EOOD	Bulgaria	100%	0%	
CTP Invest EOOD	Bulgaria	100%	100%	
CTPark Beta EOOD	Bulgaria	100%	100%	
CTPark Delta EOOD	Bulgaria	100%	100%	
CTPark Epsilon EOOD	Bulgaria	100%	100%	
CTPark Eta EOOD	Bulgaria	100%	100%	
CTPark Gamma EOOD	Bulgaria	100%	100%	
CTPark Iota EOOD	Bulgaria	100%	100%	
CTPark Kappa EOOD	Bulgaria	100%	100%	
CTPark Lambda EOOD	Bulgaria	100%	100%	
CTPark Mu EOOD	Bulgaria	100%	0%	
CTPark Sofia EOOD	Bulgaria	100%	100%	
CTPark Sofia Ring Road EOOD	Bulgaria	100%	100%	
CTPark Theta EOOD	Bulgaria	100%	100%	
CTPark Zeta EOOD	Bulgaria	100%	100%	
Project Vrajdebna EOOD	Bulgaria	100%	100%	
Clubco Nupaky, spol. s r.o.	Czech Republic	100%	0%	2/
Clubco Ostrava,spol. s r.o.	Czech Republic	100%	0%	2/
Clubco Vlněna, spol. s r.o. (formerly Clubco, spol. s r.o.)	Czech Republic	100%	100%	
CTP Alpha, spol. s r.o.	Czech Republic	100%	100%	
CTP Barrandov, spol. s r.o.	Czech Republic	100%	100%	
CTP Bohemia North, spol. s r.o	Czech Republic	100%	100%	
CTP Bohemia South, spol. s r.o.	Czech Republic	100%	100%	
CTP Bohemia West, spol. s r.o.	Czech Republic	100%	100%	
CTP Borská Pole, spol. s r.o.	Czech Republic	100%	100%	
CTP CEE Properties, spol. s r.o.	Czech Republic	100%	100%	
CTP CEE Sub Holding, spol. s r.o.	Czech Republic	100%	100%	
CTP Domeq Brno, spol. s r.o.	Czech Republic	100%	100%	
CTP Energy CZ, spol. s r.o.	Czech Republic	100%	100%	
CTP Forest, spol. s r.o.	Czech Republic	100%	100%	
CTP Hotel Operations Brno, spol. s r.o.	Czech Republic	100%	100%	
CTP Hotel Operations Pilsen, spol. s r.o.	Czech Republic	100%	100%	
CTP Hotel Operations Prague spol. s r.o.	Czech Republic	100%	100%	
CTP Hotel Pilsen, spol. s r.o.	Czech Republic	100%	100%	
CTP Hotel Prague, spol. s r.o.	Czech Republic	100%	100%	
CTP II, spol. s r.o.	Czech Republic	100%	100%	
CTP III, spol. s r.o.	Czech Republic	100%	100%	
CTP Invest, spol. s r.o.	Czech Republic	100%	100%	
CTP IQ Ostrava, spol. s r.o.	Czech Republic	100%	100%	
CTP IV, spol. s r.o.	Czech Republic	100%	100%	
CTP Moravia North, spol. s r.o.	Czech Republic	100%	100%	
CTP Moravia South, spol. s r.o.	Czech Republic	100%	100%	
CTP Nová Zvonařka, spol. s r.o. (formerly Nová Zvonařka s.r.o.)	Czech Republic	100%	0%	1/
CTP Pilsen Region, spol. s r.o.	Czech Republic	100%	100%	
CTP Ponávka Business Park, spol. s r.o.	Czech Republic	100%	100%	
CTP Portfolio Finance CZ, spol. s r.o.	Czech Republic	0%	100%	5/

Subsidiaries	Country	2023	2022	Note
CTP Property Czech, spol. s r.o	Czech Republic	100%	100%	
CTP Solar I, a. s.	Czech Republic	100%	100%	
CTP Solar II, a. s.	Czech Republic	100%	100%	
CTP Solar III, spol. s r.o.	Czech Republic	100%	100%	
CTP V, spol. s r.o.	Czech Republic	100%	100%	
CTP VI, spol. s r.o.	Czech Republic	100%	100%	
CTP VIII, spol. s r.o.	Czech Republic	100%	100%	
CTP Vlněna Business Park, spol. s r.o.	Czech Republic	100%	100%	
CTP Vysočina, spol. s r.o.	Czech Republic	100%	100%	
CTP X, spol. s r.o.	Czech Republic	100%	100%	
CTP XI, spol. s r.o.	Czech Republic	100%	100%	
CTP XII, spol. s r.o.	Czech Republic	100%	100%	
CTP XIV, spol. s r.o.	Czech Republic	100%	100%	
CTP XV, spol. s r.o.	Czech Republic	100%	100%	
CTP XVI, spol. s r.o.	Czech Republic	100%	100%	
CTP XVII, spol. s r.o.	Czech Republic	100%	100%	
CTP XVIII, spol. s r.o.	Czech Republic	100%	100%	
CTP XXII, spol. s r.o.	Czech Republic	100%	100%	
CTP XXIII, spol. s r.o.	Czech Republic	100%	100%	
CTP XXIV, spol. s r.o.	Czech Republic	100%	100%	
CTPark Aš II, spol. s r.o.	Czech Republic	100%	100%	
CTPark Blučina, spol. s r.o.	Czech Republic	100%	100%	
CTPark Bor II, spol. s r.o.	Czech Republic	0%	100%	5/
CTPark Bor, spol. s r.o.	Czech Republic	100%	100%	
CTPark Brno I, spol. s r.o.	Czech Republic	0%	100%	5/
CTPark Brno II, spol. s r.o.	Czech Republic	0%	100%	5/
CTPark Brno III, spol. s r.o.	Czech Republic	100%	100%	
CTPark Brno Líšeň East, spol. s r.o.	Czech Republic	100%	100%	
CTPark Brno Líšeň II, spol. s r.o.	Czech Republic	100%	100%	
CTPark Brno Líšeň West, spol. s r.o.	Czech Republic	100%	100%	
CTPark Brno Retail, spol. s r.o.	Czech Republic	100%	100%	
CTPark Brno, spol. s r.o. (formerly CTP Industrial Property CZ, spol. s r.o.)	Czech Republic	100%	100%	
CTPark Cerhovice, spol. s r.o. (formerly CTP XIII, spol. s r.o.)	Czech Republic	100%	100%	
CTPark České Velenice, spol. s r.o.	Czech Republic	100%	100%	
CTPark Hranice, spol. s r.o.	Czech Republic	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTPark Chrastava a.s.	Czech Republic	100%	100%	
CTPark Lysá nad Labem, spol. s r.o.	Czech Republic	100%	100%	
CTPark Mladá Boleslav, spol. s r.o.	Czech Republic	100%	100%	
CTPark Modřice, spol. s r.o.	Czech Republic	100%	100%	
CTPark Nýřany II, spol. s r.o. (formerly Limmo beta s.r.o.)	Czech Republic	100%	0%	1/
CTPark Nýřany, spol. s r.o.	Czech Republic	100%	0%	2/
CTPark Ostrava Hrušov, spol. s r.o. (formerly H-Zone, s.r.o.)	Czech Republic	100%	0%	1/
CTPark Ostrava Poruba, spol. s r.o.	Czech Republic	100%	100%	
CTPark Ostrava, spol. s r.o.	Czech Republic	100%	100%	
CTPark Plzeň, spol. s r.o.	Czech Republic	100%	100%	
CTPark Prague Airport, spol. s r.o.	Czech Republic	100%	100%	
CTPark Prague East, spol. s r.o.	Czech Republic	100%	100%	
CTPark Prague North II, spol. s r.o.	Czech Republic	100%	100%	
CTPark Prague North III, spol. s r.o.	Czech Republic	100%	100%	
CTPark Prague West, spol. s r.o.	Czech Republic	100%	100%	
CTPark Stříbro, spol. s r. o.	Czech Republic	100%	100%	
CTPark Tošanovice a.s. (formerly Tosan Park a.s.)	Czech Republic	100%	0%	1/
CTZone Ostrava, spol. s r.o.	Czech Republic	100%	100%	
KRMELÍNSKÁ I s.r.o.	Czech Republic	0%	100%	5/
Spielberk Business Park II, spol. s r.o.	Czech Republic	100%	100%	
Spielberk Business Park, spol. s r.o.	Czech Republic	100%	100%	
CTP Invest	Egypt	100%	100%	
CTP Real Estate	Egypt	100%	100%	
CTP Real Estate Development	Egypt	100%	100%	
Samesova OÜ	Estonia	100%	100%	
Vojtova OÜ	Estonia	100%	100%	
Zemankova OÜ	Estonia	100%	100%	
CTP Alpha France	France	100%	100%	
CTP Beta France	France	100%	100%	
CTP France	France	100%	100%	
CTP Energy Germany GmbH (formerly CTP Germany X GmbH)	Germany	100%	100%	
CTP Germany GmbH	Germany	100%	100%	
CTP Germany II GmbH	Germany	100%	100%	
CTP Germany IX GmbH	Germany	100%	100%	
CTP Germany V GmbH	Germany	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTP Germany VI GmbH	Germany	100%	100%	
CTP Germany VII GmbH	Germany	100%	100%	
CTP Germany VIII GmbH	Germany	100%	100%	
CTP Germany X GmbH (formerly Projektgesellschaft Rau-entaler Strasse mbH)	Germany	100%	0%	1/
CTP Invest Germany GmbH	Germany	100%	100%	
CTP Invest Hong Kong Limited	Hong Kong	100%	0%	
CTP Energy Hungary Kft.	Hungary	100%	100%	
CTP Management Hungary Kft.	Hungary	100%	100%	
CTPark Alpha Kft.	Hungary	100%	100%	
CTPark Arrabona Kft.	Hungary	100%	100%	
CTPark Beta Kft.	Hungary	100%	100%	
CTPark Biatorbágy Kft.	Hungary	100%	100%	
CTPark Delta Kft.	Hungary	100%	100%	
CTPark Eight Kft.	Hungary	100%	100%	
CTPark Eighteen Kft.	Hungary	100%	100%	
CTPark Eleven Kft.	Hungary	100%	100%	
CTPark Fifteen Kft.	Hungary	100%	100%	
CTPark Fourteen Kft	Hungary	100%	100%	
CTPark Gamma Kft.	Hungary	100%	100%	
CTPark Nine Kft.	Hungary	100%	100%	
CTPark Nineteen Kft.	Hungary	100%	100%	
CTPark Seven Kft.	Hungary	100%	100%	
CTPark Seventeen Kft.	Hungary	100%	100%	
CTPark Sixteen Kft.	Hungary	100%	100%	
CTPark Ten Kft.	Hungary	100%	100%	
CTPark Thirteen Kft.	Hungary	100%	100%	
CTPark Thirty Kft.	Hungary	100%	100%	
CTPark Thirty One Kft.	Hungary	100%	100%	
CTPark Twelve Kft.	Hungary	100%	100%	
CTPark Twenty Eight Kft.	Hungary	100%	100%	
CTPark Twenty Five Kft.	Hungary	100%	100%	
CTPark Twenty Four Kft.	Hungary	100%	100%	
CTPark Twenty Kft.	Hungary	100%	100%	
CTPark Twenty Nine Kft.	Hungary	100%	100%	
CTPark Twenty One Kft.	Hungary	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTPark Twenty Seven Kft.	Hungary	100%	100%	
CTPark Twenty Six Kft.	Hungary	100%	100%	
CTPark Twenty Three Kft.	Hungary	100%	100%	
CTPark Twenty Two Kft.	Hungary	100%	100%	
Office Campus Real Estate Kft.	Hungary	100%	100%	
CTP Alpha S.r.l.	Italy	100%	100%	
CTP Beta S.r.l.	Italy	100%	100%	
CTP Italy S.r.l.	Italy	100%	100%	
Samesova SIA	Latvia	100%	100%	
Vojtova SIA	Latvia	100%	100%	
Zemankova SIA	Latvia	100%	100%	
UAB Samesova	Lithuania	100%	100%	
UAB Vojtova	Lithuania	100%	100%	
UAB Zemankova	Lithuania	100%	100%	
CTP ALC B.V.	Netherlands	100%	100%	
CTP Alpha B.V.	Netherlands	100%	100%	
CTP Baltic Holding B.V.	Netherlands	100%	100%	
CTP Beta B.V.	Netherlands	100%	100%	
CTP Deutschland B.V. (formerly CTP Germany GmbH B.V.)	Netherlands	100%	100%	
CTP Energy B.V.	Netherlands	100%	100%	
CTP Epsilon B.V.	Netherlands	100%	100%	
CTP Eta B.V.	Netherlands	100%	100%	
CTP Gamma B.V.	Netherlands	100%	100%	
CTP Invest B.V.	Netherlands	100%	100%	
CTP Kappa B.V.	Netherlands	100%	100%	
CTP Lambda B.V.	Netherlands	100%	100%	
CTP Mediterranean Holding B.V.	Netherlands	100%	100%	
CTP Mu B.V.	Netherlands	100%	100%	
CTP Nu B.V.	Netherlands	100%	0%	2/
CTP Omicron B.V.	Netherlands	100%	0%	2/
CTP Pi B.V.	Netherlands	100%	0%	2/
CTP Portfolio Finance Czech B.V.	Netherlands	100%	100%	
CTP Property B.V.	Netherlands	100%	100%	
CTP Rho B.V.	Netherlands	100%	0%	2/
CTP Theta B.V.	Netherlands	100%	100%	
CTP Turkish Holding B.V.	Netherlands	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTP Xi B.V.	Netherlands	100%	0%	2/
CTP Zeta B.V.	Netherlands	100%	100%	
CTPark Bremen B.V.	Netherlands	100%	100%	
Multifin B.V.	Netherlands	100%	100%	
CTP Beta Poland Sp. z o.o.	Poland	100%	100%	
CTP Delta Poland Sp. z o.o.	Poland	100%	100%	
CTP Dystrybucja Sp. z o.o. (formerly CTP Kappa Poland Sp. z o.o.)	Poland	100%	100%	
CTP Energy Poland Sp. z o.o.	Poland	100%	100%	
CTP Epsilon Poland Sp. z o.o.	Poland	100%	100%	
CTP Eta Poland Sp. z o.o.	Poland	100%	100%	
CTP Gamma Poland Sp. z o.o.	Poland	100%	100%	
CTP Chi Poland Sp. z o.o.	Poland	100%	100%	
CTP Invest Poland Sp. z o.o.	Poland	100%	100%	
CTP Iota Poland Sp. z o.o.	Poland	100%	100%	
CTP Lambda Poland Sp. z o.o.	Poland	100%	100%	
CTP Mu Poland Sp. z o.o.	Poland	100%	100%	
CTP Nu Poland Sp. z o.o.	Poland	100%	100%	
CTP Omega Poland Sp. z o.o.	Poland	100%	100%	
CTP Pi Poland Sp. z o.o.	Poland	100%	100%	
CTP Property Alpha Poland Sp. z o.o.	Poland	100%	100%	
CTP Property Beta Poland Sp. z o.o.	Poland	100%	100%	
CTP Property Delta Poland Sp. z o.o.	Poland	100%	100%	
CTP Property Epsilon Poland Sp. z o.o.	Poland	100%	100%	
CTP Property Eta Poland sp. z o.o.	Poland	100%	100%	
CTP Property Gamma Poland Sp. z o.o.	Poland	100%	100%	
CTP Property Iota Poland sp. z o.o.	Poland	100%	0%	
CTP Property Kappa Poland sp. z o.o.	Poland	100%	0%	
CTP Property Lambda Poland sp. z o.o.	Poland	100%	0%	2/
CTP Property Mu Poland sp. z o.o.	Poland	100%	0%	2/
CTP Property Nu Poland sp. z o.o.	Poland	100%	0%	2/
CTP Property Theta sp. z o.o.	Poland	100%	0%	
CTP Property Zeta Poland sp. z o.o.	Poland	100%	100%	
CTP Rho Poland Sp. z o.o.	Poland	100%	100%	
CTP Sigma Poland Sp. z o.o.	Poland	100%	100%	
CTP Tau Poland Sp. z o.o.	Poland	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTP Theta Poland Sp. z o.o. w likwidacji	Poland	0%	100%	3/
CTP Xi Poland Sp. z o.o.	Poland	100%	100%	
CTP Zeta Poland Sp. z o.o.	Poland	100%	100%	
CTPark Iłowa Sp. z o.o.	Poland	100%	100%	
CTPark Opole Sp. z o.o.	Poland	100%	100%	
CTPark Zabrze Sp. z o.o.	Poland	100%	100%	
Wiskitki Project Sp. z o.o.	Poland	100%	0%	1/
CTP CONTRACTORS SRL	Romania	100%	100%	
CTP INVEST BUCHAREST SRL	Romania	100%	100%	
CTP SOLAR SRL	Romania	100%	100%	
CTPARK ALPHA SRL	Romania	100%	100%	
CTPARK ARAD NORTH SRL	Romania	100%	100%	
CTPARK BETA SRL	Romania	100%	100%	
CTPARK BRASOV SRL	Romania	100%	100%	
CTPARK BRASOV WEST SRL	Romania	100%	100%	
CTPARK BUCHAREST A1 SRL	Romania	100%	100%	
CTPARK BUCHAREST II SRL	Romania	100%	100%	
CTPARK BUCHAREST SOUTH II SRL	Romania	100%	100%	
CTPARK BUCHAREST SRL	Romania	100%	100%	
CTPARK BUCHAREST UPSILON SRL	Romania	100%	100%	
CTPARK BUCHAREST WEST I SRL	Romania	100%	100%	
CTPARK BUCHAREST WEST II SRL	Romania	100%	100%	
CTPARK CRAIOVA EAST SRL	Romania	100%	100%	
CTPARK DELTA SRL	Romania	100%	100%	
CTPARK DEVA II SRL	Romania	100%	100%	
CTPark Dragomiresti SRL (formerly Bati Carpath SRL)	Romania	100%	0%	1/
CTPARK EPSILON SRL	Romania	100%	100%	
CTPARK ETA SRL	Romania	100%	100%	
CTPARK GAMMA SRL	Romania	100%	100%	
CTPARK CHITILA SRL	Romania	100%	100%	
CTPARK IOTA SRL	Romania	100%	100%	
CTPARK KAPPA SRL	Romania	100%	100%	
CTPARK KM23 NORTH SRL	Romania	100%	100%	
CTPARK LAMBDA SRL	Romania	100%	100%	
CTPARK MANAGEMENT AFUMATI SRL	Romania	100%	100%	
CTPARK MANAGEMENT TURDA SRL	Romania	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTPARK MIU SRL	Romania	100%	100%	
CTPARK OMEGA SRL	Romania	100%	100%	
CTPARK OMICRON SRL	Romania	100%	100%	
CTPARK ORADEA NORTH SRL	Romania	100%	100%	
CTPARK PHI SRL	Romania	100%	100%	
CTPark Pitesti East SRL (formerly Seebuca Immo SRL)	Romania	100%	0%	1/
CTPARK PITESTI SRL	Romania	100%	100%	
CTPARK PSI SRL	Romania	100%	100%	
CTPARK RHO SRL	Romania	100%	100%	
CTPARK SIBIU EAST SRL	Romania	100%	100%	
CTPARK SIGMA SRL	Romania	100%	100%	
CTPARK TAU SRL	Romania	100%	100%	
CTPARK THETA SRL	Romania	100%	100%	
CTPARK TIMISOARA EAST SRL	Romania	100%	100%	
CTPark Timisoara North SRL (formerly Seetimi SRL)	Romania	100%	0%	1/
CTPARK ZETA SRL	Romania	100%	100%	
FOREST PROPERTY INVEST SRL	Romania	100%	100%	
Universal Management SRL	Romania	100%	100%	
BIMS PROPERTIES 2018 DOO DEČ	Serbia	0%	0%	4/
CTP Alpha d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Beta d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Delta d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Energy doo Beograd-Novi Beograd	Serbia	100%	100%	
CTP Epsilon d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Gamma d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Invest d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Kappa d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Lambda d.o.o. Beograd	Serbia	100%	100%	
CTP Omega d.o.o. Beograd-Novi Beograd	Serbia	0%	100%	5/
CTP Omicron d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Phi d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Property Alpha d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Property Beta d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Property Delta d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Property Gamma d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Rho d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	

Subsidiaries	Country	2023	2022	Note
CTP Sigma d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Tau d.o.o. Beograd-Novi Beograd	Serbia	100%	100%	
CTP Zeta d.o.o. Beograd-Novi Beograd	Serbia	0%	100%	5/
CTP Alpha SK, spol. s r.o.	Slovakia	100%	100%	
CTP Dunaj s.r.o.	Slovakia	100%	100%	
CTP Energy SK, spol. s r.o. (formerly CTPark Land SK 2, spol. s r.o.)	Slovakia	100%	100%	
CTP Invest SK, spol. s r.o.	Slovakia	100%	100%	
CTP Slovakia, s.r.o.	Slovakia	100%	100%	
CTP Solar SK, spol. s r.o.	Slovakia	100%	100%	
CTPark Banská Bystrica, spol. s r.o.	Slovakia	100%	100%	
CTPark Bratislava East, spol. s r.o.	Slovakia	100%	100%	
CTPark Bratislava, spol. s r.o.	Slovakia	100%	100%	
CTPark Čierny Les, spol. s r.o.	Slovakia	100%	100%	
CTPark Hlohovec, spol. s r.o.	Slovakia	100%	100%	
CTPark Košice, spol. s r.o.	Slovakia	100%	100%	
CTPark Krásno nad Kysucou, spol. s r.o.	Slovakia	100%	100%	
CTPark Land SK 1, spol. s r.o.	Slovakia	100%	100%	
CTPark Námestovo, spol. s r.o.	Slovakia	100%	100%	
CTPark Nitra, spol. s r.o.	Slovakia	100%	100%	
CTPark Nove Mesto, spol. s.r.o.	Slovakia	100%	100%	
CTPark Prešov North, spol. s r.o.	Slovakia	100%	100%	
CTPark Prešov s.r.o.	Slovakia	100%	100%	
CTPark Trnava II, spol. s r.o.	Slovakia	100%	100%	
CTPark Žilina Airport II, spol. s r.o.	Slovakia	100%	100%	
CTPark Žilina Airport, spol. s r.o.	Slovakia	100%	100%	
CTP Ljubljana d.o.o.	Slovenia	0%	100%	3/
CTPark Alpha, d.o.o.	Slovenia	100%	100%	
Global Guanaco, S.L.U.	Spain	100%	100%	
CTP ALPHA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	Turkey	100%	100%	
CTP BETA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	Turkey	100%	100%	
CTP GAMMA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	Turkey	100%	100%	
CTP Alpha Ltd	United Kingdom	100%	100%	
CTP Beta Ltd	United Kingdom	100%	100%	
CTP Invest Ltd	United Kingdom	100%	100%	

1/ Newly acquired/consolidated subsidiaries in 2023
2/ Newly established subsidiaries in 2023
3/ Disposed subsidiaries in 2023
4/ Newly acquired/established subsidiaries, subsequently merged with existing company in the Group during 2023
5/ Subsidiaries merged with existing subsidiary in 2023

36. RELATED PARTIES

CTP has a related party relationship with its key management personnel and other entities of which Multivest B.V. is an equity holder (immediate parent company).

In 2023 and 2022, CTP had the following income and expense with related parties:

	2023		2022	
In EUR million	**Revenues**	**Expenses**	**Revenues**	**Expenses**
CTP Holding B.V.	1.1	-	1.7	-
Multivest B.V.	0.6	-	0.6	-
Other	-	-0.5	-	-
Total	**1.7**	**-0.5**	**2.3**	**-**

As at 31 December 2023 and 2022, CTP had the following short-term receivables/payables from/to related parties:

	2023		2022	
In EUR million	**Receivables**	**Payables**	**Receivables**	**Payables**
Multivest B.V.	0.6	-	-	-
Remon Vos	0.3	-	0.3	-
Other	-	-0.3	-	-
Total	**0.9**	**-0.3**	**0.3**	**-**

As at 31 December 2023 and 2022, CTP had the following long-term receivables/payables from/to related parties:

	2023		2022	
In EUR million	**Receivables**	**Payables**	**Receivables**	**Payables**
CTP Holding B.V.	-	-	44.9	-
Other	0.6	-	0.3	-
Total	**0.6**	**-**	**45.2**	**-**

In 2023, the loan provided to CTP Holding B.V. was fully repaid.

Other non-current non-trade receivables from related parties and non-trade liabilities to related parties are interest-bearing and bear an arm's length interest in the range of 1.2% to 5.6%, depending on maturity, collateralisation, subordination, country risk and other specifics.

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director. Average headcount per year of key management is 7 for 2023 (2022 – 7).

Key management personnel compensation comprises the following:

	Personnel compensation	
In EUR million	**2023**	**2022**
Short-term employee benefits	2.3	3.2
Total	**2.3**	**3.2**

The Company granted for 2023 and 2022 a conditional share award under LTIP to a Director (refer to Note 26).

As at 31 December, Board Directors held shares in CTP N.V. as follows (directly or through other entities):

	Nr. of shares	**Price per 1 share**	**Value in EUR million**
2023	337,487,293	15.28	5,156.8
2022	335,804,718	11.04	3,707.3

In the Number of shares held by Board of Directors are included also shares held by CTP Holding B.V.

37. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND 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 Group has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed for all customers requiring credit over a certain amount. CTP usually does not require collateral from its tenants. For most of the tenants, a parent company guarantee, or a solvent tenant group company guarantee is in place.

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

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

Credit risk concentration:

In EUR million	2023	2022
Amounts due from banks	691.9	661.9
Amounts due from financial derivatives	48.7	51.1
Amounts due from related parties	1.5	45.5
Amounts due from third parties	64.7	54.6
Amounts due from tax institutions	84.6	74.0
Total	**891.4**	**887.1**

Amounts due from banks include cash and cash equivalents, including restricted cash reported under non-current trade and other receivables, as at 31 December of the respective year.

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

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Impairment losses on financial assets recognised in profit or loss were as follows:

In EUR million	2023	2022
Impairment to trade receivables	5.2	5.6
Total	**5.2**	**5.6**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

In EUR million	2023	2022
Balance as at 1 January	5.6	4.1
Net remeasurement of loss allowance	-0.4	1.5
Balance at 31 December	**5.2**	**5.6**

The following table provides information about the exposure to credit risk and ECLs for financial assets as at 31 December 2023 and 2022 respectively:

In EUR million for the year 2023	Stage	Weighted average loss rate	Gross amount	Impairment loss allowance	Net amount
Cash and cash equivalents	Low risk	0%	690.6	-	690.6
Restricted cash	Low risk	0%	1.3	-	1.3
Receivables due from related parties	Low risk	0%	1.5	-	1.5
Trade receivables *	Low to Fair risk	7%	69.9	-5.2	64.7
Total			**763.3**	**-5.2**	**758.1**

In EUR million for the year 2022	Stage	Weighted average loss rate	Gross amount	Impairment loss allowance	Net amount
Cash and cash equivalents	Low risk	0%	660.6	-	660.6
Restricted cash	Low risk	0%	1.3	-	1.3
Receivables due from related parties	Low risk	0%	45.5	-	45.5
Trade receivables *	Low to Fair risk	9%	60.2	-5.6	54.6
Total			**767.6**	**-5.6**	**762.0**

* Weighted average loss rate related to Trade receivables is calculated in Note 23.

Capital risk
CTP's policy is to maintain a strong capital base, 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 maximising the return to shareholders through the optimisation of the debt and equity balance. CTP's overall strategy remains unchanged compared to 2022.

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

The capital structure of CTP consists of a debt, which includes the borrowings disclosed in Note 29 and bonds disclosed in Note 30.

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.

Leverage ratio test
The leverage ratio calculated below compares debt to assets, where a debt is defined to be the sum of interest-bearing loans and borrowings and bonds, and assets includes total consolidated assets of the Group.

In EUR million	2023	2022
Debt	6,968.2	5,874.2
Total assets	14,873.2	12,699.8
Leverage ratio	**46.9%**	**46.3%**

The net loan to value (value is the fair value of the properties) ratio of CTP properties (calculated as a share of interest-bearing loans from financial institutions and bonds issued adjusted for cash and cash equivalents available as at 31 December of the respective year on investment property, investment property under construction and plant and equipment) is approximately 46.0% at 31 December 2023 (2022: 45.4%), which is seen as appropriate within CTP's financial markets.

As the properties are leased for a long period and CTP agrees long-term financing with its financial institutions. CTP expects to fulfill financial covenants in the future.

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 optimising returns.

Foreign currency risk
Currency risk is managed mainly by making, when possible, investments in the same currency as the financing sources used. 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.

As at 31 December 2023, CTP analysed the impact of the foreign exchange rate variances on its assets and liabilities and on its statement of comprehensive income. The impact was judged insignificant, as most financial instruments are denominated in EUR.

Foreign currency exchange risk is limited and arises from recognised monetary assets and liabilities. Currency risk disclosed is based on the functional currency (EUR) of the Group's operating subsidiaries.

In EUR million	CZK	RON	PLN	HUF	RSD	BGN	2023 Total
Trade and other receivables	52.4	59.6	45.7	13.8	20.0	7.7	199.2
Cash and cash equivalents	14.6	23.0	1.6	8.3	2.7	3.6	53.8
Loans provided to third parties	-	0.1	-	-	-	-	0.1
Trade and other receivables from related parties	0.3	-	-	-	-	-	0.3
Total financial assets	**67.3**	**82.7**	**47.3**	**22.1**	**22.7**	**11.3**	**253.4**
Trade and other payables	-129.6	-41.7	-32.1	-15.4	-32.4	-13.4	-264.6
Total financial liabilities	**-129.6**	**-41.7**	**-32.1**	**-15.4**	**-32.4**	**-13.4**	**-264.6**
Net position	**-62.3**	**41.0**	**15.2**	**6.7**	**-9.7**	**-2.1**	**-11.2**
FX hedge	-	-	-	-	-	-	-
Net position after FX hedge	**-62.3**	**41.0**	**15.2**	**6.7**	**-9.7**	**-2.1**	**-11.2**

In EUR million	CZK	RON	PLN	HUF	RSD	BGN	2022 Total
Trade and other receivables	38.4	42.8	43.5	21.2	19.1	17.3	182.3
Cash and cash equivalents	10.8	14.3	16.4	7.9	4.5	3.2	57.1
Loans provided to third parties	-	-	-	-	0.1	-	0.1
Trade and other receivables from related parties	0.3	-	-	-	-	-	0.3
Total financial assets	**49.5**	**57.1**	**59.9**	**29.1**	**23.7**	**20.5**	**239.8**
Trade and other payables	-87.0	-44.7	-13.2	-14.0	-12.9	-8.5	-180.3
Total financial liabilities	**-87.0**	**-44.7**	**-13.2**	**-14.0**	**-12.9**	**-8.5**	**-180.3**
Net position	**-37.5**	**12.4**	**46.7**	**15.1**	**10.8**	**12.0**	**59.5**
FX hedge	-	-	-	-	-	-	-
Net position after FX hedge	**-37.5**	**12.4**	**46.7**	**15.1**	**10.8**	**12.0**	**59.5**

Sensitivity analysis

A strengthening/(weakening) of EUR, as indicated below, against other currencies at the reporting date would have increased/(decreased) the equity by the amounts shown in the following table. This analysis is based on foreign currency exchange rate variances that the Group considers reasonably likely at the end of the reporting period. The analysis assumes that all other variables remain constant, including interest rates.

	2023	2022
Net position on financial assets and liabilities denominated in EUR	**-11.2**	**59.5**
Effect on profit or loss and on equity of:		
CZK weakening by 5%	-3.1	-1.9
CZK strengthening by 5%	3.1	1.9
RON weakening by 5%	2.1	0.6
RON strengthening by 5%	-2.1	-0.6
PLN weakening by 5%	0.8	2.3
PLN strengthening by 5%	-0.8	-2.3
HUF weakening by 5%	0.3	0.8
HUF strengthening by 5%	-0.3	-0.8
RSD weakening by 5%	-0.5	0.5
RSD strengthening by 5%	0.5	-0.5
BGN weakening by 5%	-0.1	0.6
BGN strengthening by 5%	0.1	-0.6

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 rates for the reference period from one month to six months increased by a fixed margin. In 2023 and 2022, CTP entered transactions with financial institutions to hedge the interest rate risk (refer to Note 33). CTP mitigated the interest rate risk by holding interest rate swaps in 2023 and 2022.

The interest rate profile of the Group's interest-bearing financial instruments is as follows.

Fixed-rate instruments	**2023**	**2022**
Receivables due from related parties	1.5	45.5
Loans owed to related parties	-0.3	-
Bonds issued	-3,590.0	-3,981.4
Bank loans with fixed interest rate	-2,533.6	-1,632.0
Bank loans covered by IRS	-821.2	-267.2

Variable-rate instruments	**2023**	**2022**
Loans not covered by IRS	-34.0	-

Sensitivity analysis

A reasonably possible change of 0.25% in the interest rates at the reporting date would have increased (decreased) profit by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

1.1.2023 - 31.12.2023 — **Interest rate sensitivity analysis of bank loans and borrowings**

In EUR million	Bank loans	Covered by interest rate swaps and fixed rate	% hedge	Loans with variable interest	Effect on result in case of interest rate increase by 25bp	Effect on result in case of interest rate decrease by 25bp
Interest-bearing loans and borrowings	3,388.8	3,354.8	99.0%	34.0	-0.1	0.1
Total	**3,388.8**	**3,354.8**	**99.0%**	**34.0**	**-0.1**	**0.1**

1.1.2022 - 31.12.2022 — **Interest rate sensitivity analysis of bank loans and borrowings**

In EUR million	Bank loans	Covered by interest rate swaps and fixed rate	% hedge	Loans with variable interest	Effect on result in case of interest rate increase by 25bp	Effect on result in case of interest rate decrease by 25bp
Interest-bearing loans and borrowings	1,899.2	1,899.2	100%	-	-	-
Total	**1,899.2**	**1,899.2**	**100%**	**-**	**-**	**-**

Cash flow hedges

Current year

At 31 December 2023, the Group held the following instruments to hedge exposures to changes in interest rates.

Interest rate swaps

2023	Exposure paid (in EUR million)	Average fixed interest rate	Exposure received (in EUR million)	Average fixed interest rate	Net exposure (in EUR million)
0 - 12 months	200.0	2.66%	-	-	200.0
More than one year	1,053.0	2.55%	708.0	2.95%	345.0
Total	**1,253.0**		**708.0**		**545.0**
Of which prehedges at 2.33%	750.0				

The amounts at the reporting date relating to items designated as hedged items were as follows.

31 December 2023 In EUR million	Change in value used for calculating hedge ineffec-tiveness	Cash flow hedge reserve	Costs of hedging hedge reserve	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied
Interest rate risk				
Variable-rate instruments	-	0.1	-	-

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows.

2023		Carrying amount						
In EUR million	**Nominal amount**	**Assets**	**Liabilities**	**Change in the value of the hedging instrument recognised in OCI**	**Hedge ineffective-ness recognised in profit or loss**	**Cost of hedging recognised in OCI**	**Amount reclassified from hedging reserve to profit or loss**	**Amount reclassified from costs of hedging reserve to profit or loss**
Interest rate risk								
Interest rate swaps	1,961.5	43.0	-27.6	-31.8	-	-	-	-

The following table provides the reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

		2023
In EUR million	**Hedging reserve**	**Cost of hedging reserve**
Cash flow hedges – interest rate risk		
Balance at 1 January 2023	23.7	-
Changes in fair value	-31.8	-
Tax on movements on reserves during the year	8.2	-
Balance at 31 December 2023	**0.1**	**-**

Prior year

At 31 December 2022, the Group held the following instruments to hedge exposures to changes in interest rates.

2022					Interest rate swaps
	Exposure paid (in EUR million)	Average fixed interest rate	Exposure received (in EUR million)	Average fixed interest rate	Net exposure (in EUR million)
0 - 12 months	750.0	2.33%	175.0	2.61%	575.0
More than one year	175.0	2.60%	-	-	175.0
Total	**925.0**		**175.0**		**750.0**

The amounts at the reporting date relating to items designated as hedged items were as follows.

31 December 2022				
In EUR million	**Change in value used for calculating hedge ineffectiveness**	**Cash flow hedge reserve**	**Costs of hedging hedge reserve**	**Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied**
Interest rate risk				
Variable-rate instruments	-	23.7	-	-

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows.

2022		Carrying amount						
In EUR million	**Nominal amount**	**Assets**	**Liabilities**	**Change in the value of the hedging instrument recognised in OCI**	**Hedge ineffective-ness recognised in profit or loss**	**Cost of hedging recognised in OCI**	**Amount reclassified from hedging reserve to profit or loss**	**Amount reclassified from costs of hedging reserve to profit or loss**
Interest rate risk								
Interest rate swaps	1,100.0	44.1	-12.1	32.0	-	-	-	-

The following table provides the reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

	2022	
In EUR million	Hedging reserve	Cost of hedging reserve
Cash flow hedges – interest rate risk		
Balance at 1 January 2022	-	-
Changes in fair value	32.0	-
Amount reclassified to profit or loss	-	-
Tax on movements on reserves during the year	-8.3	-
Balance at 31 December 2022	**23.7**	**-**

Hedged risk
The Company's risk management strategy is to hedge variability in interest payments due to changes in EURIBOR resulting from future issuance of series of consecutive bonds/loans expected to be issued in the period defined per individual hedging relationship. Credit margin on the bonds is not subject to this hedge.

Hedge effectiveness measurement
Cumulative change in fair value of the hedged item will be measured by a so-called hypothetical derivative. This hypothetical derivative has a zero fair value at the hedge inception and represents hedged risk within the hedged item. In case of a perfect hedge when all parameters of the hedging instrument match the parameters of the hedged item and the hedging instrument's fair value is zero at the hedge inception, the hypothetical derivative is a mirror to the hedging instrument.

At the hedge inception, a hypothetical derivative is a forward starting swap with start date equal to the first expected issuance date and maturity date 5-30 years later.

This hypothetical derivative will be adjusted at any time the hedged cash flows change.

Potential sources of ineffectiveness
- Difference in timing of hedged cash flows compared to timing of payments on the swaps' floating leg.
- The hedged interest expenses are no more highly probable.

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 acertain 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, refinancing where appropriate, and using rent income to settle short-term liabilities.

The table below shows liabilities at 31 December 2023 and 31 December 2022 by their remaining contractual maturity. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

2023					Contractual cash flows
In EUR million	Until 3 months	3 - 12 Months	Between 1 -5 years	Over 5 years	Total
Interest-bearing loans and borrowings	43.7	134.9	1,200.7	2,899.6	4,278.9
Bonds issued	9.9	27.2	2,616.4	1,092.6	3,746.1
Loans to related parties	0.3	-	-	-	0.3
Derivative financial liabilities	15.3	2.4	9.6	1.9	29.2
Lease liabilities	1.8	3.9	21.3	41.7	68.7
Trade and other payables incl. corporate income tax liability	347.7	44.9	55.1	30.3	478.0
Total	**418.7**	**213.3**	**3,903.1**	**4,066.1**	**8,601.2**

2022					Contractual cash flows
In EUR million	Until 3 months	3 - 12 Months	Between 1 -5 years	Over 5 years	Total
Interest-bearing loans and borrowings	18.1	54.2	339.1	1,897.2	2,308.6
Bonds issued	9.9	429.7	2,613.0	1,102.4	4,155.0
Derivative financial liabilities	0.5	12.3	1.8	0.3	14.9
Lease liabilities	1.5	4.5	21.7	47.1	74.8
Trade and other payables incl. corporate income tax liability	324.3	9.9	58.6	-	392.8
Total	**354.3**	**510.6**	**3,034.2**	**3,047.0**	**6,946.1**

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 fair value of long-term loans as at 31 December 2023 is EUR 3,112.3 million (2022 – EUR 1,545.4 million). For details refer to Note 29.

Bonds
The fair value of bonds issued as at 31 December 2023 is EUR 3,194.1 million (2022 – EUR 3,093.3 million). For details refer to Note 30.

Derivatives
The fair value of derivatives is based on fair value quotes from counterparties which are compared to the results of the internal valuation model using market data from an independent recognized market data agency.

Investment property and investment property under development
Investment property and investment property under development are stated at fair value (refer to Note 18 and Note 19).

38. CONTINGENT LIABILITIES

Contracted work
As at 31 December 2023, the Group had contracted work with external suppliers relating to realising a construction project, which was not performed as at the year end, with a value of EUR381.2 million (2022 – EUR 398.8 million).

Guarantee provided
Under Guarantee agreements concluded following the sale of a portfolio A, CTP Invest, spol. sr.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 GmbH.

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

In 2022, CTP N.V. issued guarantee in favor of Coöperatieve Rabobank U.A. connected with financing of development activities of CTP ALC B.V. Guaranteed obligations represents:
- any amount due by the CTP ALC B.V. under and in connection with the Finance Documents for a maximum amount of the Commitment minus the Reserve Amount,
- any interest, fees (including for the avoidance of doubt any default interest) and any amount payable under any Hedging Agreement due by the CTP ALC B.V. under and in connection with the Facility Agreement.

Facility agreement is agreed of EUR 175.0 million between ABN AMRO Bank N.V., Coöperatieve Rabobank U.A. and CTP ALC B.V.

39. PLEDGES

Shares, receivables, future receivables and other assets in some of the subsidiaries are pledged in favour of the financing institutions for securing the bank loans received by them (refer to Note 29). As at the date of these financial statements, the assets in the following companies are pledged:

Company	Pledge in favour of
CTP ALC B.V.	COOPERATIEVE RABOBANK U.A. (as agent) + ABN Amro Bank N.V.
CTP Beta B.V.	COOPERATIEVE RABOBANK U.A.
CTP Bohemia North, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTP Bohemia South, spol. s r.o.	Landesbank Hessen - Thuringen Girozentrale
CTP Bohemia West, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTP Borská Pole, spol. s r.o.	Landesbank Hessen - Thuringen Girozentrale
CTP Deutschland B.V.	Sparkasse Neubrandenburg-Demmin
CTP Deutschland B.V.	Austrian Anadi Bank
CTP Deutschland B.V.	Berliner Sparkasse
CTP Deutschland B.V.	Berliner Volksbank
CTP Deutschland B.V.	Hypo Vorarlberg Bank AG
CTP Deutschland B.V.	Kreissparkasse Ostalb
CTP Deutschland B.V.	Kreissparkasse St. Wendel
CTP Deutschland B.V.	Landessparkasse zu Oldenburg
CTP Deutschland B.V.	SANTANDER CONSUMER BANK AG
CTP Deutschland B.V.	Sparkasse Düren
CTP Deutschland B.V.	Sparkasse Esslingen-Nürtingen
CTP Deutschland B.V.	Sparkasse Hildesheim Goslar Peine
CTP Deutschland B.V.	Sparkasse Ingolstadt Eichstätt
CTP Deutschland B.V.	Sparkasse UnnaKamen
CTP Deutschland B.V.	Stadtsparkasse Düsseldorf
CTP Deutschland B.V.	VerbundVolksbank OWL eg
CTP Deutschland B.V.	Volksbank Main-Tauber
CTP Deutschland B.V.	Volksbank Mittweida eG
CTP Deutschland B.V.	Volksbank Thüringen Mitte eG
CTP Deutschland B.V.	VR Bank eG Region Aachen
CTP Deutschland B.V.	VR Bank eG Rosenheim
CTP Deutschland B.V.	VR Bank Mecklenburg
CTP Domeq Brno, spol. s r.o.	Aareal Bank AG
CTP Eta Poland Sp. z o.o.	Aareal Bank AG
CTP Gamma Poland Sp. z o.o.	Aareal Bank AG
CTP Germany II GmbH	Volksbank Jever eG
CTP Moravia South, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTP Ponávka Business Park, spol. s r.o.	Aareal Bank AG
CTP Portfolio Finance Czech B.V.	Aareal Bank AG

Company	Pledge in favour of
CTP Property Beta Poland Sp. z o.o.	Aareal Bank AG
CTP Slovakia, s. r. o.	Tatra banka, a.s.
CTP Vysočina, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTP XXIII, spol. s r.o.	Landesbank Hessen - Thuringen Girozentrale
CTPark Alpha Kft.	Unicredit Bank Hungary Zrt.
CTPark Arrabona Kft.	Unicredit Bank Hungary Zrt.
CTPark Bratislava, spol. s r.o.	Erste Group Bank AG
CTPark Brno, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTPark Brno, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTPark Bucharest A1 S.R.L	Alpha Bank Romania S.A. (as agent) + others
CTPark Bucharest II S.R.L.	Alpha Bank Romania S.A. (as agent) + others
CTPark Bucharest S.R.L.	Alpha Bank Romania S.A. (as agent) + others
CTPark Bucharest Upsilon S.R.L.	Alpha Bank Romania S.A. (as agent) + others
CTPark Cerhovice, spol. s r.o.	Deutsche Pfandbriefbank AG
CTPark Dragomiresti SRL	Vista Bank
CTPark Gamma S.R.L.	Alpha Bank Romania S.A. (as agent) + others
CTPark Hranice, spol. s r.o.	Aareal Bank AG
CTPark Chrastava, a.s.	Landesbank Hessen - Thuringen Girozentrale
CTPark Iłowa Sp. z o.o.	Aareal Bank AG
CTPark Kappa S.R.L.	Alpha Bank Romania S.A. (as agent) + others
CTPark Košice, spol. s r.o.	Erste Group Bank AG
CTPark Mladá Boleslav, spol. s r.o.	Československa obchodní banka, a.s.
CTPark Námestovo, spol. s r.o.	Tatra banka, a.s.
CTPark Opole Sp. z o.o.	Aareal Bank AG
CTPark Ostrava Poruba, spol. s r.o.	Deutsche Pfandbriefbank AG
CTPark Ostrava, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTPark Pitesti East SRL	BRD-Groupe Société Générale S.A.
CTPark Plzeň, spol. s r.o.	Landesbank Hessen - Thuringen Girozentrale
CTPark Prague Airport, spol. s r.o.	Aareal Bank AG
CTPark Prague East, spol. s r.o.	Komerční banka, a.s. (as agent) + others
CTPark Prague West, spol. s r.o.	Landesbank Hessen - Thuringen Girozentrale
CTPark Seven Kft.	Unicredit Bank Hungary Zrt.
CTPark Timisoara North SRL	BRD-Groupe Société Générale S.A.

40. SUBSEQUENT EVENTS

In January 2024, the Group received a bank loan in amount of EUR 100.0 million with fixed interest rate of 4.86%, due in 2029.

In February 2024, the Group issued green bonds of EUR 750.0 million with 6-year maturity and 4.75% fixed coupon.

In February 2024, the concurrent tender offer enabled CTP to repurchase bonds with a total nominal amount of EUR 250.0 million.

In February 2024, the Group signed a bank loan agreement in amount of EUR 90.0 million due in 2030.

On 9 March 2024, the Group entered into a conditional purchase agreement in relation to 100% share in five Romanian companies, owners of investment properties across Romania.

CTP is not aware of any other events that have occurred since the statement of financial position date that would have a material impact on these financial statements as at 31 December 2023.

Amsterdam, 11 March 2024

Remon L. Vos	Richard J. Wilkinson
Barbara Knoflach	Gerard van Kesteren
Susanne Eickermann-Riepe	Pavel Trenka

Company Financial Statements

COMPANY INCOME STATEMENT

In EUR million	Note	2023	2022 Restated*
Other income	12	1.5	22.6
Administration costs	13	-10.1	-34.8
Net other income/expenses		**-8.6**	**-12.2**
Net loss before financing costs		**-8.6**	**-12.2**
Interest income		133.8	91.5
Interest expense		-91.4	-55.4
Other financial income		15.8	-
Other financial expense		-9.0	-51.3
Net finance income/expenses	**14**	**49.2**	**-15.2**
Result from participating interest	**4**	**892.1**	**789.8**
Result before income tax		**932.7**	**762.4**
Income tax expense	15	-10.1	4.2
Result for the year		**922.6**	**766.6**

* The comparative information is restated on account of correction of errors, refer to Note 3.

COMPANY BALANCE SHEET

(Before profit appropriation)

In EUR million	Note	31 December 2023	31 December 2022 Restated*
Assets			
Investments in group companies	4	6,443.8	5,256.0
Derivative financial instruments	8	7.2	-
Long-term receivables from related parties	16	3,966.9	3,949.1
Deferred tax assets	15	4.2	9.3
Total non-current assets		**10,422.1**	**9,214.4**
Trade and other receivables		4.9	4.8
Derivative financial instruments	8	35.8	39.0
Trade and other receivables from related parties	16	74.8	17.9
Cash and cash equivalents	11	480.9	466.4
Current tax assets		3.4	-
Total current assets		**599.8**	**528.1**
Total assets		**11,021.9**	**9,742.5**

In EUR million	Note	31 December 2023	31 December 2022 Restated*
Issued capital	5	71.7	71.1
Share premium reserve	5	3,037.9	3,202.5
Cash flow hedge reserve	5	3.2	20.0
Legal reserve on participating interest	5	3,775.8	3,166.4
Translation reserve	5	2.1	4.5
Retained earnings	5	-1,646.4	-1,810.1
Result for the year	5	922.6	766.6
Total Equity	**5**	**6,166.9**	**5,421.0**
Liabilities			
Interest-bearing loans and borrowings from financial institutions	6	611.9	-
Long-term payable due from related parties	16	607.4	228.1
Long-term payables		15.0	2.0
Bonds issued	7	3,551.5	3,544.3
Derivative financial instruments	8	7.1	-
Deferred tax liabilities	15	-	7.0
Total non-current liabilities		**4,792.9**	**3,781.4**
Interest-bearing loans and borrowings from financial institutions	6	3.2	-
Bonds issued	7	18.4	417.0
Derivative financial instruments	8	16.2	12.1
Trade and other payables to related parties	16	21.5	109.6
Trade and other payables	10	2.8	1.4
Total current liabilities		**62.1**	**540.1**
Total liabilities		**4,855.0**	**4,321.5**
Total equity and liabilities		**11,021.9**	**9,742.5**

* The comparative information is restated on account of correction of errors, refer to Note 3.

Notes to the Company financial statements

1. GENERAL INFORMATION

The Company financial statements are part of the 2023 financial statements of CTP N.V. (the Company).

CTP N.V. (the Company) is a Dutch-based real estate developer, which develops and leases a portfolio of properties in Western, Central and Eastern Europe (CEE).

CTP N.V. was incorporated on 21 October 2019 for an unlimited period.

CTP N.V. has a 12-month financial year ended on the balance sheet date of 31 December 2023 and 31 December 2022, respectively.

2. PRINCIPLES FOR MEASUREMENT OF ASSETS AND LIABILITIES AND DETERMINATION OF RESULT

The Company financial statements are prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of results for the Company financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the Company financial statements are the same as those applied for the consolidated EU-IFRS financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these financial statements, the separate financial statements should be read in conjunction with the consolidated financial statements.

All amounts in the Company financial statements are presented in EUR million, unless stated otherwise.

Participating interests in Group companies
Participating interests in Group companies are accounted for in the Company financial statements according to the equity method. Refer to the basis of consolidation accounting policy in the consolidated financial statements.

Share of result of participating interests
The share of the result of participating interests consists of the share of the Company in the result of these participating interests. Results on transactions, where the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves, are not incorporated insofar as they can be deemed to be unrealised.

Impairment
The Company applies an ECL (expected credit loss) model. Under this approach, all financial assets in the scope of the impairment model of the Company generally carry a loss allowance – even those that are newly originated or acquired. Under the general approach, the measurement basis of Company's assets, other than investment property, investment property under development and deferred tax assets, depends on whether is a significant increase in credit risk since initial recognition.

The Company bases the impairment calculation on its historical, observed default rates, and considers adjustments of forward-looking estimates that include the probability of a worsening economic environment within the next years. At each reporting date, the Company updates the observed default history and forward-looking estimates.

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

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

Derivate financial instruments
The Company designates certain derivatives as hedging instrument to hedge variability in cash flows associated with highly probable forecast transaction arising from changes interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and hedging instruments, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in Other comprehensive income accumulated in the Cash flow hedge reserve. The effective portion of changes in the fair value of the derivative that is recognised in Other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present values basis, from inception of the hedge. Any ineffective portion of changes in the fair values of the derivative is recognised immediately in profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the Cash flow hedge reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for the cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedge expected future cash flows affects profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the Cash flow hedge reserve are immediately reclassified to profit or loss.

3. CORRECTION OF ERROR

Adjustment 1
In 2023, the Group discovered that 2 intercompany transactions connected with merger of DIR to CTP N.V. and subsequent hive-down to CTP Deutschland B.V. were not presented properly in standalone financial statements of CTP N.V. As a consequence, Investment in group companies and Long-term payable due from related parties have been understated, Long-term receivables due from related parties has been overstated. The error has been corrected by restating each of the affected financial statement line items for prior period. The following tables summarize the impacts on the Company's financial statements.

Adjustment 2
Due to reconsidering acquisition of DIR as Business combination, corrections were made in Company's financial statements in Investment in Group Companies, Share premium, Retained earnings and Profit for the period.

The value of financial investment increased as at date of acquisition with an increase in share premium. Subsequently, due to change in revaluation of financial investments connected with update in consolidated equity, impact on retained earnings and profit for the period was recognized. Please refer to Note 4 of Consolidated Financial Statements for more details.

COMPANY BALANCE SHEET

In EUR million	31 December 2022 as previously reported	Adjust-ment 1	Adjust-ment 2	31 December 2022 Restated*
Investments in group companies	5,011.5	107.9	136.6	5,256.0
Long-term receivables due from related parties	4,036.9	-87.8	-	3,949.1
Others	537.4	-	-	537.4
Total assets	**9,585.8**	**20.1**	**136.6**	**9,742.5**
Long-term payable due from related parties	207.9	20.2	-	228.1
Others	4,093.4	-	-	4,093.4
Total liabilities	**4,301.3**	**20.2**	**-**	**4,321.5**
Result for the year	794.6	-0.1	-27.9	766.6
Share premium	3,024.5	-	178.0	3,202.5
Retained earnings	-1,796.6	-	-13.5	-1,810.1
Others	3,262.0	-	-	3,262.0
Total Equity	**5,284.5**	**-0.1**	**136.6**	**5,421.0**

COMPANY INCOME STATEMENT

In EUR million	31 December 2022 as previously reported	Adjust-ment 1	Adjust-ment 2	31 December 2022 Restated*
Result in participating interest	817.7	-	-27.9	789.8
Other	-23.1	-0.1	-	-23.2
Result for the year	**794.6**	**-0.1**	**-27.9**	**766.6**

4. INVESTMENTS IN GROUP COMPANIES

As at 31 December, the Company has the following financial interests in Group companies:

	Share in issued capital in %		Amount	
In EUR million	31 December 2023	31 December 2022	31 December 2023	31 December 2022 Restated*
Participating interests	100.0%	100.0%	6,443.8	5,256.0

The company holds 100% ownership interests in the following subsidiaries: CTP Invest spol. sr.o., with statutory seat in the Czech Republic, CTP Property B.V. and CTP Deutschland B.V. (formerly CTP Germany B.V.), with their statutory seats in the Netherlands.

Acquisition of Deutsche Industrie REIT-AG (subsequently renamed to Deutsche Industrie Grundbesitz AG)

On 3 February 2022, the Group has received 98.17% shareholder support for its voluntary public takeover and delisting offer (the "Offer") for and contemplated merger with Deutsche Industrie REIT-AG (currently CTP Deutschland B.V.) ("DIR").

The total number of DIR shares tendered in the Offer was in aggregate 25,951,833 DIR Shares, corresponding to approximately 80.90% of the outstanding share capital in DIR.

Closing and settlement of the Offer, in which CTP offered either a cash consideration of EUR 17.12 or a share consideration of 1.25 shares in the share capital of CTP (the "CTP Shares") for each tendered DIR Share (the "Share Consideration"), has taken place on 3 February 2022.

During the acceptance period, a total of 25,937,060 tendered DIR Shares opted for the Share Consideration. Accordingly, a total of 32,421,325 CTP Shares were issued.

Acquisition of DIR is considered to be a business combination, in exchange for shares of CTP N.V and therefore, this transaction is in scope of IFRS 3.

On 23 August 2022, CTP N.V. and DIR entered transaction of cross-border merger. Assets and liabilities of DIR were transferred to CTP N.V. under universal succession of title and DIR ceased to exist without liquidation. In accordance with agreed exchange ratio, CTP allotted for each issued and outstanding DIR share, 1.25 shares in CTP's share capital to each holder of shares, resulting in the allotment of 7,659,590 new shares.

Shares of DIR in ownership of non-controlling interest, were transferred into shares of CTP N.V.

On 1 November 2022, all assets and liabilities of former DIR were transferred through a hive down by way of legal partial division from CTP N.V. to a new subsidiary CTP Deutschland B.V.

Transaction of the merger and the demerger have been intended to perform simultaneously from initial start of the acquisition of DIR.

In accordance with legal requirements of Dutch Law on the processing of a (legal) merger and demerger and Company's intentions we prepared these standalone financial statements under the assumption that merger and hive down of DIR is processed in one moment on 23 August 2022.

The movements of the investment in Group companies are as follows:

In EUR million	Participating interests in Group companies 2023	Participating interests in Group companies 2022 Restated*
Balance at 1 January	**5,256.0**	**3,424.4**
Acquisitions	-	858.7
Increase in investment - capital contribution	294.5	203.1
Share in result of participating interest - OCI	1.2	-20.0
Share in result of participating interest	892.1	789.8
Balance at 31 December	**6,443.8**	**5,256.0**

* The comparative information is restated on account of correction of errors, refer to Note 3.

The most significant impact of merger and hive down of DIR on the Company's financial statements is the following:

Investment property

In EUR million	Investment property
Balance at 1 January 2022	-
Impact of merger of DIR	892.1
Impact of demerger of DIR	-892.1
Balance at 31 December 2022	-

Interest bearing loans and borrowings

MOVEMENT IN INTEREST BEARING LOANS AND BORROWINGS

In EUR million	Bank loan
Balance at 1 January 2022	-
Impact of merger of DIR	188.7
Impact of demerger of DIR	-188.7
Balance at 31 December 2022	-

No such transactions occurred in 2023.

5. SHAREHOLDERS' EQUITY

In EUR million	Issued capital	Share premium reserve	Cash flow hedge reserve	Legal reserve for participating interest	Translation reserve	Retained earnings	Net profit for the period	Total equity
Balance at 1 January 2023 Restated*	**71.1**	**3,202.5**	**20.0**	**3,166.4**	**4.5**	**-1,810.1**	**766.6**	**5,421.0**
Issue of shares / acquisition	-	-	-	-	-	-	-	-
Issue of shares / merger	-	-	-	-	-	-	-	-
Dividends	0.6	-164.6	-	-	-	-	-	-164.0
Increase of other legal reserve	-	-	-	609.4	-	-598.8	-	10.6
Cash-flow hedge	-	-	-16.8	-	-	-	-	-16.8
Other	-	-	-	-	-	-4.1	-	-4.1
Treasury shares	-	-	-	-	-	-	-	-
Translation reserve	-	-	-	-	-2.4	-	-	-2.4
Appropriation of profit	-	-	-	-	-	766.6	-766.6	-
Net result for the year	-	-	-	-	-	-	922.6	922.6
Balance at 31 December 2023	**71.7**	**3,037.9**	**3.2**	**3,775.8**	**2.1**	**-1,646.4**	**922.6**	**6,166.9**

* The comparative information is restated on account of correction of errors, refer to Note 3.

In EUR million Restated*	Issued capital	Share premium reserve	Cash flow hedge reserve	Legal reserve for participating interest	Translation reserve	Retained earnings	Net profit for the period	Total equity
Balance at 1 January 2022	**64.1**	**2,662.0**	**-**	**2,488.1**	**10.7**	**-2,144.0**	**1,025.9**	**4,106.8**
Issue of shares / acquisition	5.2	562.2	-	-	-	-	-	567.4
Issue of shares / merger	1.2	103.4	-	-	-	-13.4	-	91.2
Dividends	0.6	-124.6	-	-	-	-	-	-124.0
Increase of other legal reserve	-	-	-	678.3	-	-679.1	-	-0.8
Cash-flow hedge	-	-	20.0	-	-	-	-	20.0
Other	-	-	-	-	-	0.5	-	0.5
Treasury shares	-	-0.5	-	-	-	-	-	-0.5
Translation reserve	-	-	-	-	-6.2	-	-	-6.2
Appropriation of profit	-	-	-	-	-	1,025.9	-1,025.9	-
Net result for the year	-	-	-	-	-	-	766.6	766.6
Balance at 31 December 2022	**71.1**	**3,202.5**	**20.0**	**3,166.4**	**4.5**	**-1,810.1**	**766.6**	**5,421.0**

* The comparative information is restated on account of correction of errors, refer to Note 3.

Issued capital

ISSUED CAPITAL AND SHARE PREMIUM

Current financial year
As at 31 December 2023, the Issued capital comprised of the following:

Type of shares	No. of shares	Nominal value of share	Issued capital In EUR million
Ordinary shares	448,182,458	EUR 0.16	71.7
Treasury shares	-27,976	EUR 0.16	-
Total	**448,154,482**	**EUR 0.16**	**71.7**

MOVEMENTS IN ISSUED CAPITAL AND SHARE PREMIUM

		Nr. of shares	Issued capital In EUR million	Share premium In EUR million
Balance at 1 January 2023		**444,100,549**	**71.1**	**3,203.0**
18 May 2023	Dividend paid	2,221,102	0.3	-76.2
4 September 2023	Dividend paid	1,860,807	0.3	-88.4
Balance at 31 December 2023		**448,182,458**	**71.7**	**3,038.4**
Treasury shares at 1 January 2023/ 31 December 2023		-27,976	-	-0.5
Total balance at 31 December 2023		**448,154,482**	**71.7**	**3,037.9**

On 16 May 2023, CTP N.V. announced a final 2022 dividend of EUR 0.23 per ordinary share. Shareholders were given the choice to receive the final dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company's shares on Euronext Amsterdam on the last three trading days of the election period, ending on 15 May 2023. The number of dividend rights that entitles to one new ordinary share was set at 51.42.

Shareholders representing approximately 74% of the total number of outstanding ordinary shares chose to receive the dividend in cash, while shareholders representing 26% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 2,221,102 to a total of 446,321,651 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 18 May 2023.

On 30 August 2023, an interim dividend of EUR 0.25 per share for the first half of 2023 was announced. Shareholders were given the choice to receive the dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company's shares on Euronext Amsterdam on the last three trading days of the election period, ending on 29 August 2023. The number of dividend rights that entitles to one new ordinary share was set at 50.53.

Shareholders representing approximately 79% of the total number of outstanding ordinary shares chose to receive the interim dividend in cash, while shareholders representing approximately 21% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 1,860,807 to a total of 448,182,458 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 4 September 2023.

Prior financial year
As at 31 December 2022, the Issued capital and Share premium comprised of the following:

Type of shares	No. of shares	Nominal value of share	Issued capital In EUR million
Ordinary shares	444,100,549	EUR 0.16	71.1
Treasury shares	-27,976	EUR 0.16	-0.0
Total	**444,072,573**	**EUR 0.16**	**71.1**

MOVEMENTS IN ISSUED CAPITAL AND SHARE PREMIUM

		Nr. of shares	Issued capital In millions of EUR	Share premium Restated* In millions of EUR
Balance at 1 January 2022		**400,392,810**	**64.1**	**2,662.0**
3 February 2022	Share issuance connected with DIR acquisition	32,421,325	5.2	562.2
9 June 2022	Dividends paid	763,581	0.1	-68.0
23 August 2022	Share issuance connected with merger of DIR and CTP N.V.	7,659,590	1.2	103.4
5 September 2022	Dividends paid	2,863,243	0.5	-56.6
Balance at 31 December 2022		**444,100,549**	**71.1**	**3,203.0**
Treasury shares		-27,976	-	-0.5
Total balance at 31 December 2022		**444,072,573**	**71.1**	**3,202.5**

* The comparative information is restated on account of correction of errors, refer to Note 3.

On 3 February 2022, the Group acquired DIR (currently CTP Deutschland B.V.). CTP offered either a cash consideration of EUR 17.12 or a share consideration of 1.25 shares in the share capital of CTP (the “CTP Shares”) for each tendered DIR Share (the “Share Consideration”). The transaction resulted in issuance of 32,421,325 new shares of CTP N.V. For details refer to Note 4.

Following its Annual General Meeting on 26 April 2022, CTP N.V. announced a final 2021 dividend of EUR 0.18 per ordinary share. Shareholders were given the choice to receive the final dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company’s shares on Euronext Amsterdam of the last three trading days of the election period, ending on 18 May 2022. The number of dividend rights that entitles to one new ordinary share was set at 72.5.

Shareholders representing approximately 88% of the total number of outstanding ordinary shares chose to receive the dividend in cash, while shareholders representing 12% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 763,581 to a total of 433,577,716 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 9 June 2022.

On 23 August 2022 CTP N.V. completed the merger with DIR (acquired on 3 February 2022). As a result of the merger, CTP N.V. acquired shares from former shareholders of DIR. CTP offered a share consideration of 1.25 shares in the share capital of CTP (the “CTP Shares”) for each tendered DIR Share. The transaction resulted in issuance of 7,659,590 new shares of CTP N.V.

On 10 August 2022, an interim dividend of EUR 0.22 per share for the first half of 2022 was announced. Shareholders were given the choice to receive the final dividend either in cash or in shares, with the stock fraction for the dividend based on the volume-weighted average price (VWAP) of the Company’s shares on Euronext Amsterdam of the last three trading days of the election period, ending on 29 August 2022. The number of dividend rights that entitles to one new ordinary share was set at 62.5.

Shareholders representing approximately 59% of the total number of outstanding ordinary shares chose to receive the interim dividend in cash, while shareholders representing approximately 41% of the total number of outstanding ordinary shares opted for payment in stock.

Based on the conversion ratio and after delivery of the ordinary shares due to the conversion of dividend rights, the total number of issued and outstanding ordinary shares increased by 2,863,243 to a total of 444,100,549 ordinary shares. The payment date for the dividend payment in cash and delivery of the ordinary shares was 5 September 2022.

Legal reserves for participating interests

Other legal reserves for participating interests of EUR 3,775.8 million (2022 – EUR 3,166.4 million) existed at 31 December 2023, accounted for according to the equity accounting method. The reserves represented the difference between the participating interests’ retained profit and direct changes in equity, as determined on the basis of the Company’s accounting policies, and the share thereof that the Company may distribute.

The shares the Company may distribute take into account any profits that may not be distributable by participating interests of Dutch limited companies based on the distribution tests to be performed by the management of those companies. The legal reserves are determined on an individual basis.

Treasury shares

In 2022, the Company acquired during the merger transaction ordinary shares in total of 27,976 pcs for a total consideration of EUR 545,858 at an average cost of EUR 19.51 per share.

Cash flow hedge reserve

Changes in the fair value of derivatives designated as hedging instruments and recognised in the cash flow hedge reserve in equity reached EUR 3.2 million net of tax as at 31 December 2023 (2022 – EUR 20.0 million). Decrease of EUR 16.8 million was caused mainly due to a decrease in market rates.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Net result for the year
The net result for the year consists of share as a result of participating interest, administration cost and net finance expense.

Proposal for profit appropriation 2022
At the 2023 Annual General Meeting, the following appropriation of the 2022 result will be proposed: EUR 766.6 million addition to retained earnings.

6. INTEREST-BEARING LOANS AND BORROWINGS FROM FINANCIAL INSTITUTIONS

In EUR million	2023	2022
Non-current liabilities		
Interest-bearing loans and borrowings from financial institutions	621.0	-
Accrued arrangement fees	-9.1	-
Balance at 31 December	**611.9**	**-**
Current liabilities		
Interest-bearing loans and borrowings from financial institutions	-	-
Accrued interest	3.2	-
Accrued arrangement fees	-	-
Balance at 31 December	**3.2**	**-**
Total balance at 31 December	**615.1**	**-**

In EUR million		2023		2022
	Nominal value	Fair value	Nominal value	Fair value
Interest-bearing loans and borrowings from financial institutions	621.0	623.1	-	-

The valuation model of fair value of bank loans considers the present value of expected payments, discounted using risk adjusted discount rate.

The Company has determined that all of its Interest-bearing loans and borrowings from financial institutions are classified within Level 2 of the fair value hierarchy.

To determine the fair value of such instruments, management used a valuation technique in which all significant inputs were based on observable market data.

Company's interest-bearing loans and borrowings from financial institutions typically have financial covenants like loan-to-value and debt service coverage ratio. As at 31 December 2023, there was no breach of covenant conditions.

The residual maturity of loans and borrowings from financial institutions as at 31 December 2023 was as follows:

In EUR million					Balance as at 31 December 2023
		Due within		Due in	
	1 year	2 years	3-5 years	follow. years	Total
Interest-bearing loans and borrowings from financial institutions	-	-	215.9	405.1	**621.0**

In 2023, the Company received bank loans with a total nominal value of EUR 621.0 million. Bank loans have fixed all-in costs interest rates in range from 4.68% to 5.26% due in 2028, 2029, 2030 and 2033, respectively.

7. BONDS ISSUED

Current period

Bond Issuance Date	ISIN	Nominal value of total bonds issued In EUR million	Nominal value of each bond In EUR	Currency	Type	Fix interest rate per annum ("p.a")	Maturity date	Fair value of bonds in EUR million
1 Jul 2022	XS2390546849	49.5	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	38.5
20 Jan 2022	XS2434791690	700.0	100,000	EUR	senior unsecured	0.875%	20 Jan 2026	650.0
27 Sept 2021	XS2390530330	500.0	100,000	EUR	senior unsecured	0.625%	27 Sept 2026	449.8
27 Sept 2021	XS2390546849	500.0	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	389.0
21 June 2021	XS2356029541	500.0	100,000	EUR	senior unsecured	0.500%	21 June 2025	470.8
21 June 2021	XS2356030556	500.0	100,000	EUR	senior unsecured	1.250%	21 June 2029	412.9
18 Feb 2021	XS2303052695	500.0	100,000	EUR	senior unsecured	0.750%	18 Feb 2027	446.6
1 Oct 2020	XS2238342484	331.8	100,000	EUR	senior unsecured	2.125%	1 Oct 2025	318.7
Total		**3,581.3**						**3,176.3**

On 27 November 2023, the Group repaid bonds from the emission with ISIN XS2264194205 in a nominal value of EUR 400.0 million.

Prior period

Bond Issuance Date	ISIN	Nominal value of total bonds issued In EUR million	Nominal value of each bond In EUR	Currency	Type	Fix interest rate per annum ("p.a")	Maturity date	Fair value of bonds in EUR million
1 Jul 2022	XS2390546849	49.5	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	30.0
20 Jan 2022	XS2434791690	700.0	100,000	EUR	senior unsecured	0.875%	20 Jan 2026	572.0
27 Sept 2021	XS2390530330	500.0	100,000	EUR	senior unsecured	0.625%	27 Sept 2026	382.9
27 Sept 2021	XS2390546849	500.0	100,000	EUR	senior unsecured	1.500%	27 Sept 2031	302.9
21 June 2021	XS2356029541	500.0	100,000	EUR	senior unsecured	0.500%	21 June 2025	419.9
21 June 2021	XS2356030556	500.0	100,000	EUR	senior unsecured	1.250%	21 June 2029	330.2
18 Feb 2021	XS2303052695	500.0	100,000	EUR	senior unsecured	0.750%	18 Feb 2027	374.6
27 Nov 2020	XS2264194205	400.0	100,000	EUR	senior unsecured	0.625%	27 Nov 2023	379.8
1 Oct 2020	XS2238342484	331.8	100,000	EUR	senior unsecured	2.125%	1 Oct 2025	286.8
Total		**3,981.3**						**3,079.1**

On 20 January 2022, the Group has issued new bond with the emission ISIN XS2434791690 in the nominal value of EUR 700.0 million.

On 24 January 2022, the Group has repaid bonds from the emission with ISIN XS2238342484 in the nominal value of EUR 168.2 million.

On 1 July 2022, the Company CTP N.V. issued EUR 49.5 million unsecured bonds with a nominal value of EUR 100,000 each under emission from 27 September 2021 with ISIN number XS2390546849. The bonds are issued as subordinated, with fix interest rate 1.5% per annum ("p.a."), and bonds are due on 27 September 2031. There are no covenants related to the bonds.

In EUR million	31 December 2023	31 December 2022
Non-current and current liabilities		
Bonds issued - nominal value	4,299.5	4,299.5
Repayment of bonds - nominal value	-718.2	-318.2
Nominal value after payment	**3,581.3**	**3,981.3**
Impact of merger of DIR	19.9	19.9
Impact of demerger of DIR	-19.9	-19.9
Interest expense	18.4	18.6
Discount applied	-42.8	-42.8
Amortisation of applied discount	17.1	10.0
Bond issuance costs	-8.9	-8.8
Amortisation of bond issuance costs	4.8	3.0
Balance at 31 December	**3,569.9**	**3,961.3**

In 2023, the Company replaced a revolving credit facility from the year 2021, with a new revolving credit facility of EUR 500 million for a three-year period. The Company does not expect a drawdown either partial or for the full amount under this facility in 2024.

8. FINANCIAL INSTRUMENTS

Derivative financial instruments

In EUR million	2023	2022
Fair value of derivatives - non-current asset	7.2	-
Fair value of derivatives - current asset	35.8	39.0
Fair value of derivatives – assets	**43.0**	**39.0**
Fair value of derivatives - non-current liability	-7.1	-
Fair value of derivatives - current liability	-16.2	-12.1
Fair value of derivatives - liabilities	**-23.3**	**-12.1**
Total	**19.7**	**27.0**

The Group has designated certain derivatives as hedging instruments in cash flow hedge relationships. These derivatives are recognised initially at fair value and reported subsequently at fair value in the consolidated statement of financial position. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity.

As at 31 December 2023, the Company held the following derivative financial instruments:

Derivate financial instruments	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal value (In million EUR)	Fair Value (In million EUR)
Interest rate swaps – cash flow hedge	2028 –2053	2025	6M Euribor, Fixed 2.918%	From 2.1265% to 3.293%, 6M Euribor	EUR	1,258.0 EUR	43.0
Total assets from derivates							**43.0**

Derivate financial instruments	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal value (In million EUR)	Fair Value (In million EUR)
Interest rate swaps – cash flow hedge	2028 –2053	2024	6M Euribor	From 2.6555% to 3.508%	EUR	495.0 EUR	-23.3
Total liabilities from derivates							**-23.3**

As at 31 December 2022, the Company held the following derivative financial instruments:

Derivate financial instruments	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal value (In million EUR)	Fair Value (In million EUR)
Interest rate swaps – cash flow hedge	2028 –2053	2023	6M Euribor	From 2.1265% to 2.4385%	EUR	550.0	39.0
Total assets from derivates							**39.0**

Derivate financial instruments	Due within maturity date	Mandatory break	Receiving leg	Paying leg	Currency	Nominal value (In million EUR)	Fair Value (In million EUR)
Interest rate swaps – cash flow hedge	2030 – 2053	2023	6M Euribor	from 2.609% to 2.652%	EUR	375.0	-12.1
Total liabilities from derivates							**-12.1**

General

The Group has exposure to the following risks from its use of financial instruments:

Credit risk
Credit risk refers to the risk that the counterparty will default on its contractual obligations, resulting in a financial loss to CTP.

Credit risk concentration:

In EUR million	2023	2022
Amounts due from banks	480.9	466.4
Amounts due from related parties	4,041.7	3,967.0
Amounts due from third parties	4.9	4.8
Total	**4,527.5**	**4,438.2**

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. With respect to the nature of its business and its assets, the Company is naturally exposed to a certain amount of liquidity risk.

2023	Contractual cash flows				
In EUR million	Until 3 months	3 - 12 Months	Between 1 -5 years	Over 5 years	Total
Bonds issued	9.9	27.2	2,615.5	1,072.6	3,725.2
Bank loan	8.4	25.3	321.6	706.8	1,062.1
Derivative financial instruments	15.1	1.7	6.4	1.2	24.4
Trade and other payables incl. corporate income tax liability	1.1	-	16.7	-	17.8
Total	**34.5**	**54.2**	**2,960.2**	**1,780.6**	**4,829.5**

2022	Contractual cash flows				
In EUR million	Until 3 months	3 - 12 Months	Between 1 -5 years	Over 5 years	Total
Bonds issued	9.9	429.7	2,612.9	1,102.4	4,154.9
Derivative financial instruments	-	12.4	-	-	12.4
Trade and other payables incl. corporate income tax liability	111.1	-	251.6	-	362.7
Total	**121.0**	**442.1**	**2,864.5**	**1,102.4**	**4,530.0**

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. Market risk management aims to manage and control market risk exposure within acceptable parameters, while optimising the return. CTP N.V. is not subject to interest rate risk, nor foreign currency risks, as all loans provided are with fixed interest rate and in functional currency of the Group – EUR.

In the Notes to the consolidated financial statements information is included about the Group's exposure to the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

9. OFF-BALANCE SHEET ASSETS AND LIABILITIES

In 2022, CTP N.V. issued guarantee in favor of Coöperatieve Rabobank U.A. connected with financing of development activities of CTP ALC B.V. Guaranteed obligations represents:

- any amount due by the CTP ALC B.V. under and in connection with the Finance Documents for a maximum amount of the Commitment minus the Reserve Amount,
- any interest, fees (including for the avoidance of doubt any default interest) and any amount payable under any Hedging Agreement due by the CTP ALC B.V. under and in connection with the Facility Agreement.

Facility agreement is agreed of EUR 175 million between ABN AMRO Bank N.V., Coöperatieve Rabobank U.A. and CTP ALC B.V.

In 2023, the Company had no off-balance sheet assets, nor liabilities to be presented in these financial statements.

10. TRADE AND OTHER PAYABLES

Trade and other payables consist of accruals for legal, tax and audit services.

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of EUR 480.9 million (2022 – EUR 466.4 million) consist of petty cash, cash at bank balances, including cash acquired from bond issuance, and cash on deposit account.

12. OTHER INCOME

Other income of EUR 1.5 million (2022 – EUR 22.6 million) represents the management fee and license fee invoiced to the companies in the Group. In 2023, the Company changed the process of recognition of the management fee.

13. OPERATIONAL EXPENSES

In EUR million	31 December 2023	31 December 2022
Management fee	5.0	18.1
Donations	-	10.0
Consultancy fee	2.2	2.1
Wages	1.3	2.7
Other	1.6	1.9
Total	**10.1**	**34.8**

For details related to audit fees, refer to the audit fee table below. Only audit services were provided to the Group.

In 2022, the Company donated EUR 10.0 million to the UN refugee agency UNHCR (United Nations High Commissioner for Refugees) to provide humanitarian support for the more than one million people, who have fled the war in Ukraine into neighboring countries.

Audit fees

The following fees were charged by KPMG Accountants N.V. to the Company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a of (1) and (2) of the Dutch Civil Code:

In EUR million for 2023	KPMG Accountants N.V.	Other KPMG Network	Total KPMG
Audit fees	0.4	0.8	1.2
Total	**0.4**	**0.8**	**1.2**

In EUR million for 2022	KPMG Accountants N.V.	Other KPMG Network	Total KPMG
Audit fees	0.6	1.0	1.6
Other services	0.1	-	0.1
Total	**0.7**	**1.0**	**1.7**

14. NET FINANCE INCOME/EXPENSE

In EUR million	31 December 2023	31 December 2022
Interest income from related parties	121.2	91.5
Interest income from financial institutions	12.6	-
Other financial income	15.8	-
Finance income	**149.6**	**91.5**
Bond interest expenses	-39.3	-39.1
Bond issuance costs amortization	-8.9	-8.3
Interest expense from related parties	-31.8	-5.8
Interest expense from derivatives	4.5	-
Interest expense from financial institutions	-13.1	-
Arrangement fee	-2.8	-2.2
Other financial expenses	-9.0	-51.3
Finance costs	**-100.4**	**-106.7**
Net finance income/expense	**49.2**	**-15.2**

Other financial income consists of exchange rate differences of EUR 15.8 million (2022 – EUR 0 million).

Other financial expenses consist of bank fees of EUR 4.7 million (2022 – EUR 1.9 million), financing fees of EUR 1.6 million (2022 – EUR 13.6 million), change in FV of derivative instruments of EUR 2.7 million (2022 – EUR 0 million) and exchange rate differences of EUR 0 million (2022 – EUR 35.8 million).

15. INCOME TAXES

Income tax

In EUR million	2023	2022
Current tax income/expense(-) related to		
Current year	-1.1	-
Prior period	-5.0	-
Total	**-6.1**	**-**
Deferred tax expense		
Deferred tax expense	-4.0	4.2
Total	**-4.0**	**4.2**
Total income tax expense in statement of profit and loss and other comprehensive income	**-10.1**	**4.2**

In 2023, the Company recognized income tax expense from prior periods of EUR 5.0 million, arisen from DIR acquisition in 2022.

Withholding tax
The Company paid withholding dividend tax of EUR 2.4 million (2022 – EUR 2.8 million) paid in respect of final dividend 2022 and interim dividend 2023. Impact is reflected in Share premium, please refer to Note 5.

16. RELATED PARTIES

As of 31 December 2023 and 31 December 2022, the Company had the following interest income and interest expense with related parties:

	2023		2022	
In EUR million	Revenues	Expenses	Revenues	Expenses
CTP Property B.V.	11.9	-	0.8	-
CTP Invest, spol. s r.o.	7.5	-0.8	6.4	-
CTPARK ETA SRL	4.3	-	2.6	-
CTPARK MIU SRL	4.0	-	1.7	-
CTP Vlněna Business Park, spol. s r.o.	4.0	-	1.7	-
CTPARK ZETA SRL	3.1	-	2.2	-
Spielberk Business Park, spol. s r.o.	2.6	-	2.6	-
CTPARK GAMMA SRL	2.4	-	2.3	-
CTPark Eighteen Kft.	2.3	-0.1	3.8	-
CTPARK PSI SRL	2.2	-	1.4	-
CTPark Twelve Kft.	2.1	-	1.7	-
CTPARK BUCHAREST WEST I SRL	1.9	-	2.1	-
CTPARK BETA SRL	1.9	-	1.3	-
CTPark Bucharest A1 SRL	1.7	-	1.7	-
CTP Property Beta Poland Sp. z o.o.	1.7	-	-	-
CTPark Bor, spol. s r.o.	1.7	-	-	-
CTPark Eleven Kft.	1.6	-	1.6	-
CTP Lambda Poland Sp. z o.o.	1.6	-	0.5	-
CTPark Iłowa Sp. z o.o.	1.6	-	-	-
CTP Invest Poland Sp. z o.o.	1.5	-	1.0	-
CTP Property Alpha d.o.o. Beograd-Novi Beograd	1.3	-	-	-
CTPARK BUCHAREST SRL	1.3	-	1.9	-
CTPARK THETA SRL	1.3	-	1.0	-
CTPARK IOTA SRL	1.3	-	0.5	-
CTP CONTRACTORS SRL	1.2	-	1.2	-
CTPark Nineteen Kft.	1.2	-	0.7	-
CTPark Sixteen Kft.	1.2	-	0.6	-
CTP Holding B.V.	1.1	-	1.6	-
CTPARK BUCHAREST WEST II SRL	1.1	-	0.9	-
CTPARK TAU SRL	1.1	-	0.8	-
CTP IQ Ostrava, spol. s r.o.	1.1	-	0.5	-
CTP Property Delta Poland Sp. z o.o.	1.1	-	-	-
CTPARK PHI SRL	1.0	-	1.5	-
CTPARK OMEGA SRL	1.0	-	0.8	-
CTPARK KM23 NORTH SRL	1.0	-	-	-

In EUR million	2023 Revenues	2023 Expenses	2022 Revenues	2022 Expenses
CTPark Bratislava, spol. s r.o.	0.9	-	1.4	-
CTPARK ALPHA SRL	0.9	-	1.0	-
Spielberk Business Park II, spol. s r.o.	0.9	-	0.9	-
CTPark Nine Kft.	0.9	-	0.9	-
CTPark Brno Líšeň East, spol. s r.o.	0.9	-	0.9	-
CTP Tau Poland Sp. z o.o.	0.9	-	-	-
CTP Alpha SK, spol. s r.o.	0.8	-	0.8	-
CTP Alpha B.V.	0.8	-	0.5	-
CTP Alpha GmbH	0.8	-	-	-
CTPark Ostrava Hrušov, spol. s r.o.	0.8	-	-	-
CTP Moravia North, spol. s r.o.	0.8	-	-	-
CTP Pilsen Region, spol. s r.o.	0.8	-	-	-
CTPark Biatorbágy Kft.	0.7	-	0.6	-
CTPark Delta EOOD	0.7	-	0.5	-
CTPark Gamma EOOD	0.7	-	-	-
CTPark Twenty Four Kft.	0.7	-	-	-
CTPARK BUCHAREST SOUTH II SRL	0.7	-	-	-
CTP Sigma d.o.o. Beograd-Novi Beograd	0.7	-	-	-
CTP Rho d.o.o. Beograd-Novi Beograd	0.7	-	-	-
CTPark Košice, spol. s r. o.	0.6	-	0.9	-
CTPARK BUCHAREST UPSILON SRL	0.6	-	0.7	-
CTPark Delta Kft.	0.6	-	0.6	-
CTP Zeta d.o.o. Beograd-Novi Beograd	0.6	-	0.6	-
CTP Slovakia, s. r. o.	0.6	-	0.5	-
CTPARK KAPPA SRL	0.6	-	0.5	-
CTPark Seventeen Kft.	0.6	-	-	-
CTP Ponávka Business Park, spol. s r.o.	0.6	-	-	-
CTP Mu Poland Sp. z o.o.	0.6	-	-	-
CTPARK CRAIOVA EAST SRL	0.6	-	-	-
CTP Property Beta d.o.o. Beograd-Novi Beograd	0.6	-	-	-
CTPARK RHO SRL	0.6	-	-	-
CTP Beta B.V.	0.5	-	1.1	-
CTPark Fourteen Kft.	0.5	-	0.8	-
CTP Zeta GmbH	0.5	-	-	-
CTP Germany VII GmbH	0.5	-	-	-

In EUR million	2023 Revenues	2023 Expenses	2022 Revenues	2022 Expenses
CTP Management Hungary Kft.	0.5	-	-	-
CTPark Zabrze Sp. z o.o.	0.5	-	-	-
CTP Gamma Poland Sp. z o.o.	0.5	-	-	-
CTP RHO Poland Sp. z o.o.	0.5	-	-	-
CTPARK SIBIU EAST SRL	0.5	-	-	-
CTPark Prešov s.r.o.	0.5	-	-	-
CTPARK EPSILON SRL	0.5	-	-	-
CTPark Eta EOOD	0.2	-	0.6	-
CTPark Prague North III, spol. s r.o.	0.2	-	0.5	-
CTPark Hranice, spol. s r.o.	0.1	-2.2	-	-
CTPark Mladá Boleslav, spol. s r.o.	0.1	-2.2	-	-
CTPark Prague Airport, spol. s r.o.	0.1	-1.7	-	-
CTPark Žilina Airport, spol. s r. o.	0.1	-	0.7	-
CTPark Opole Sp. z o.o.	0.1	-	0.5	-
CTP Bohemia North, spol. s r.o.	-	-4.3	-	-1.2
CTP Vysočina, spol. s r.o.	-	-4.2	-	-1.2
CTP ALC B.V.	-	-3.4	1.0	-
CTPark Ostrava, spol. s r.o.	-	-3.2	-	-0.7
CTPark Brno, spol. s r.o. (formerly CTP Industrial Property CZ, spol. s r.o.)	-	-3.0	8.7	-
CTP Moravia South, spol. s r.o.	-	-2.0	-	-0.5
CTPark Prague East, spol. s r.o.	-	-1.4	-	-0.4
CTP Bohemia West, spol. s r.o.	-	-1.0	-	-0.2
CTP Deutschland B.V. (formerly CTP Germany B.V.)	-	-0.8	2.3	-0.2
CTPark Námestovo, spol. s r.o.	-	-0.8	-	-0.4
CTP Mu B.V.	-	-0.1	-	-
CTPark Brno I, spol. s r.o.	-	-	-	-0.5
CTPark Brno II, spol. s r.o.	-	-	-	-0.5
Other	13.6	-0.6	16.6	-
Total	**121.2**	**-31.8**	**91.5**	**-5.8**

The revenues comprise interest on loan and borrowings provided to the subsidiaries.

As at 31 December 2023 and 31 December 2022, the Company had the following long-term receivables due from related parties:

In EUR million	2023	2022
CTP Property B.V.	636.1	299.1
CTP Invest, spol. s r.o.	294.0	158.9
CTPARK ETA SRL	86.7	87.7
CTP Vlněna Business Park, spol. s r.o.	85.4	83.5
Spielberk Business Park, spol. s r.o.	78.8	79.7
CTPARK KM23 NORTH SRL	73.9	25.9
CTPARK MIU SRL	71.2	64.6
CTPark Twelve Kft.	64.7	55.1
CTP Moravia North, spol. s r.o.	64.3	60.0
CTP Property Alpha d.o.o. Beograd-Novi Beograd	64.1	27.8
CTPARK BUCHAREST WEST I SRL	62.9	67.1
CTPARK THETA SRL	62.5	64.1
CTPARK ZETA SRL	54.1	54.9
CTP Property Delta Poland Sp. z o.o.	53.2	22.7
CTPark Nineteen Kft.	52.0	27.2
CTPark Eleven Kft.	51.8	56.8
CTP Lambda Poland Sp. z o.o.	51.6	39.6
CTP Alpha GmbH	50.9	32.7
CTP Alpha SK, spol. s r.o.	49.8	38.1
CTPark Gamma EOOD	49.8	24.3
CTP Pilsen Region, spol. s r.o.	49.5	67.7
CTP CONTRACTORS SRL	48.3	52.1
CTP Invest Poland Sp. z o.o.	47.7	93.2
CTP Alpha B.V.	45.5	36.4
CTP Mu Poland Sp. z o.o.	44.1	9.9
CTPark Sixteen Kft.	43.0	37.0
CTPARK PSI SRL	41.7	38.5
CTPARK PHI SRL	40.3	42.4
CTP Eta B.V.	39.7	-
CTPark Brno Líšeň East, spol. s r.o.	39.5	36.2
CTP Zeta GmbH	38.8	12.6
CTPARK BETA SRL	36.9	33.2
CTPark Bor, spol. s r.o.	36.3	-
CTPARK ALPHA SRL	35.3	38.4
CTP Tau Poland Sp. z o.o.	31.6	27.0
CTP Property Beta d.o.o. Beograd-Novi Beograd	31.4	14.4

In EUR million	2023	2022
CTP Sigma d.o.o. Beograd-Novi Beograd	31.4	19.7
CTPARK IOTA SRL	31.1	27.3
CTP Kappa B.V.	31.0	-
CTPark Prešov s.r.o.	29.7	21.0
CTPark Nine Kft.	29.6	30.4
CTPark Zabrze Sp. z o.o.	29.4	15.8
CTPark Bremen B.V.	26.9	17.3
CTPARK CRAIOVA EAST SRL	26.6	24.9
CTP Omega Poland Sp. z o.o.	26.6	12.9
Spielberk Business Park II, spol. s r.o.	26.3	27.0
CTPARK BUCHAREST SOUTH II SRL	26.0	28.2
CTPark Twenty Four Kft.	24.9	21.0
CTPark Biatorbágy Kft.	24.8	22.9
CTP Slovakia, s. r. o.	24.7	18.5
CTPark Beta EOOD	24.0	13.6
CTPark Delta Kft.	23.2	21.3
CTP Rho d.o.o. Beograd-Novi Beograd	22.8	16.9
CTPARK BUCHAREST WEST II SRL	22.6	21.8
CTPark Seventeen Kft.	22.1	23.3
CTP Phi d.o.o. Beograd-Novi Beograd	21.8	5.6
CTP Zeta doo Beograd-Novi Beograd	21.7	21.1
CTPARK SIBIU EAST SRL	21.1	22.2
CTP Management Hungary Kft.	21.1	15.9
CTP IQ Ostrava, spol. s r.o.	20.3	22.8
CTPARK OMEGA SRL	19.8	20.5
CTP Delta Poland Sp. z o.o.	19.3	15.7
CTP Germany VII GmbH	18.6	-
CTP Solar SRL	18.3	3.8
CTPARK TAU SRL	17.9	21.0
CTPARK DELTA SRL	16.9	18.9
CTP Rho Poland Sp. z o.o.	16.9	-
CTPark Delta EOOD	16.6	17.0
CTP Beta Poland Sp. z o.o.	16.1	1.4
CTP Gamma GmbH	15.8	1.6
CTPark Ostrava Hrušov, spol. s r.o. (formerly H-Zone, s.r.o.)	15.7	-
CTPark Thirteen Kft.	15.5	15.1

In EUR million	2023	2022
CTPark Brno Líšeň West, spol. s r.o.	15.2	10.9
CTPark Brno III, spol. s r.o.	15.2	15.3
CTPark Bratislava East, spol. s r.o.	15.0	-
CTP Epsilon B.V.	14.2	-
CTPark Eight Kft.	13.1	11.0
CTP Invest SK, spol. s r.o.	12.8	6.6
CTP Property Alpha Poland Sp. z o.o.	12.7	12.5
CTPARK SIGMA SRL	12.0	12.5
CTPARK TIMISOARA EAST SRL	11.7	13.1
CTP Invest Immobilien GmbH	11.0	4.2
CTP Delta d.o.o. Beograd-Novi Beograd	10.6	11.8
CTPark Žilina Airport, spol. s r.o.	10.4	17.3
CTP Invest d.o.o. Beograd-Novi Beograd	10.4	10.0
CTPARK BRASOV SRL	10.2	10.2
CTPARK RHO SRL	9.9	10.4
CTPark Hlohovec, spol. s r.o.	9.7	11.6
CTPark Čierny Les, spol. s r.o.	7.6	20.6
CTPark Prague North III, spol. s r.o.	0.2	11.1
CTP Deutchland B.V. (formerly CTP Germany GmbH B.V.)	-	-
CTPark Eighteen Kft.	-	136.1
CTPark Brno, spol. s r.o. (formerly CTP Industrial Property CZ, spol. s r.o.)	-	94.0
CTPark Bratislava, spol. s r.o.	-	74.4
CTPARK GAMMA SRL	-	55.4
CTPARK BUCHAREST SRL	-	55.1
CTP Beta B.V.	-	50.8
CTPark Košice, spol. s r.o.	-	49.2
CTP Ponávka Business Park, spol. s r.o.	-	49.1
CTPark Bucharest A1 SRL	-	46.8
CTPark Mladá Boleslav, spol. s r.o.	-	42.2
CTP Property Beta Poland Sp. z o.o.	-	41.0
CTP Holding B.V.	-	40.8
CTPark Hranice, spol. s r.o.	-	35.9
CTPark Iłowa Sp. z o.o.	-	28.7
CTPark Eta EOOD	-	28.6
CTPark Fourteen Kft.	-	28.5
CTPark Opole Sp. z o.o.	-	27.3
CTP Gamma Poland Sp. z o.o.	-	23.5
CTPark Prague Airport, spol. s r.o.	-	22.1
CTPARK KAPPA SRL	-	18.6
CTPARK BUCHAREST UPSILON SRL	-	18.0
CTP Bohemia South, spol. s r.o.	-	11.9
CTPark Bučina, spol. s r.o.	-	11.5
CTP Eta Poland Sp. z o.o.	-	10.3
Other	240.5	265.0
Total	**3,966.9**	**3,949.1**

Interest rate on long-term receivables due from related parties is 1.25% - 8% p.a., depending on purpose and country-specific conditions.

In EUR million	2023	2022
Balance of the loans provided as at 1 January	3,949.1	3,281.7
Loans granted to the related parties	1,925.2	2,232.8
Repayment of loans	-1,908.8	-1,456.1
Settlement of loans with the Increase in Equity of subsidiaries	-	-136.9
Impact of merger DIR AG	-	4.1
Impact of demerger of DIR AG	-	-4.1
Interest accrued	121.2	93.9
Interest received	-119.2	-65.9
Other	-0.6	-0.4
Balance at 31 December	**3,966.9**	**3,949.1**

Movement schedule of the loans provided to related parties:

As at 31 December 2023 and 31 December 2022, the Company had the following long-term payables due to related parties:

In EUR million	2023	2022
CTPark Ostrava, spol. s r.o.	-118.1	-37.0
CTP Deutchland B.V. (formerly CTP Germany GmbH B.V.)	-65.9	-20.1
CTPark Brno, spol. s r.o. (formerly CTP Industrial Property CZ, spol. s r.o.)	-64.3	-
CTP Moravia South, spol. s r.o.	-63.8	-26.6
CTPark Mladá Boleslav, spol. s r.o.	-50.8	-
CTPark Námestovo, spol. s r.o.	-40.3	-35.5
CTPark Hranice, spol. s r.o.	-26.2	-
CTPark Prague East, spol. s r.o.	-25.3	-24.2
CTPark Prague Airport, spol. s r.o.	-24.1	-
CTP Vysočina, spol. s r.o.	-20.7	-18.8
CTPark Bor, spol. s r.o.	-16.9	-
CTP Bohemia South, spol. s r.o.	-13.3	-
CTPark Cerhovice, spol. s r.o. (formerly CTP XIII, spol. s r.o.)	-11.6	-
CTPark Modřice, spol. s r.o.	-11.2	-
CTPark Chrastava a.s.	-10.9	-
CTPark Brno I, spol. s r.o.	-	-30.2
CTPark Brno II, spol. s r.o.	-	-28.7
Other	-44.0	-7.0
Total	**-607.4**	**-228.1**

Interest rate on long-term payables due to related parties is 2% - 5.2% p.a., depending on purpose and country-specific conditions.

Movement schedule of the loans received from related parties:

In EUR million	2023	2022
Balance of the loans provided as at 1 January	-228.1	-
Loans granted to the related parties	-382.8	-225.7
Repayment of loans	20.2	0.3
Interest accrued	-17.6	-2.7
Interest paid	1.3	-
Other	-0.4	-
Balance at 31 December	**-607.4**	**-228.1**

As at 31 December 2023 and 31 December 2022, the Company had the following trade and other receivables due from related parties, and trade and other payables to related parties:

	2023		2022	
In EUR million	Receivables	Payables	Receivables	Payables
CTP Property B.V.	33.6	-	-	-
CTP Invest, spol. s r.o.	26.1	-6.9	3.9	-10.1
CTP INVEST BUCHAREST SRL	8.0	-	7.9	-
CTP Property Czech, spol. s r.o.	2.6	-	-	-
CTP CEE Sub Holding, spol. s r.o.	1.6	-	-	-
CTP Invest d.o.o. Beograd-Novi Beograd	1.5	-	1.5	-
CTP Management Hungary Kft.	-	-	2.2	-
CTP Moravia South, spol. s r.o.	-	-	-	-26.5
CTPark Ostrava, spol. s r.o.	-	-	-	-67.7
CTP Forest, spol. s r.o.	-	-1.0	-	-
CTPark Prague Airport, spol. s r.o.	-	-1.1	-	-
CTPark Hranice, spol. s r.o.	-	-1.7	-	-
CTP Bohemia North, spol. s r.o	-	-4.3	-	-1.2
CTP Vysočina, spol. s r.o.	-	-4.6	-	-1.4
Other	1.4	-1.9	2.4	-2.7
Total	**74.8**	**-21.5**	**17.9**	**-109.6**

17. PERSONNEL

The Company employed 8 employees in 2023 (2022 – 12 employees).

18. EMOLUMENTS OF DIRECTORS

In 2023, the emoluments, incl. the LTIP disclosed below, as defined in Section 2:383(1) of the Dutch Civil Code, charged in the financial year to the Company, its subsidiaries and consolidated other companies amounted to EUR 2.2 million (2022 – EUR 3.0 million), out of which EUR 1.7 million (2022 – EUR 2.5 million) relates to emolument of Executive Directors and EUR 0.4 million (2022 – EUR 0.5 million) to Non-Executive Directors.

Share based payment
In 2023 and 2022, the Company granted a conditional share award under the LTIP to a Director. This award has a vesting period of three years, subject to continued services up to vesting, and depends on the Company's total shareholder return (TSR). Vesting of 50% of the number of awards granted is subject to an absolute TSR condition and 50% is subject to a relative TSR condition. The number of awards that will vest is between 0% and 150% of the target number of awards granted. The vesting percentage is allocated linearly between the threshold level and the maximum level.

The fair value of the awards is expensed on a straight-line basis over the three-year vesting period. In 2023, the total share-based payment expense recognized for the equity-settled awards amounted to EUR 0.2 million (2022 – EUR 0.2 million).

In 2023, expected bonus for employees of EUR 2.5 million (2022: EUR 0 million) was recognised in equity of the Group. Bonus will be paid in form of shares in 2024.

19. SUBSEQUENT EVENTS

In February 2024, the Company issued green bonds of EUR 750.0 million with 6-year maturity and 4.75% fixed coupon.

In February 2024, the concurrent tender offer enabled CTP to repurchase bonds with a total nominal amount of EUR 250.0 million.

The Company had as of 31 December 2023 various receivables against various intragroup debtors as listed in Note 16, resulting from the various loan agreements. In February 2024, the Company agreed to in-kind contribute such receivables, in the aggregate amount of EUR 2,984.9 million, as share premium of CTP Property B.V., hereby transferring these intercompany financing activities from the listed parent to this intermediate holding company.

CTP is not aware of any other events that have occurred since the balance sheet date that would have a material impact on these financial statements as at 31 December 2023.

20. SUBSIDIARIES

The Company has 100% ownership interest in CTP Property B.V., CTP Invest, spol. s r.o. and CTP Deutschland B.V., which owns subsidiaries with operational activities in the Czech Republic, Hungary, Romania, Poland, Slovakia, Austria, Germany, Serbia, the Netherlands and Bulgaria.

For the structure of the Group as at 31 December 2023, refer to Appendix 1 – Group Structure.

Amsterdam, 11 March 2024

The Board of Directors

Remon L. Vos	Richard J. Wilkinson
Barbara Knoflach	Gerard van Kesteren
Susanne Eickermann-Riepe	Pavel Trenka

Other Information

Provisions in the Articles of Association governing the appropriation of profit:

According to Article 22 of the Company's Articles of Association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate the profit wholly or partly to the general or specific reserve funds.

The Board must approve the appropriation of profit before the decision of the General Meeting takes effect.

The Company can only make payments to shareholders and other parties entitled to the distributable profit if the amount the shareholders' equity is greater than the paid-up and called-up part of the capital plus the legally required reserves.

Independent Auditor’s Report

Independent auditor's report

To: the General Meeting of Shareholders of CTP N.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of CTP N.V. as at 31 December 2023 and of its result and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of CTP N.V. as at 31 December 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2023 of CTP N.V. ('the company') based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2023;
2. the following consolidated statements for the year 2023: the statements of profit or loss and comprehensive income, changes in equity and cash flows; and
3. the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1 the company income statement for the year 2023;
2 the company balance sheet as at 31 December 2023; and
3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of CTP N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations, climate and the key audit matters was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Summary

Materiality

- Materiality of EUR 100 million
- 0.77% of total assets

Group audit

- Audit coverage of 99% of investment property and investment property under development
- Audit coverage of 96% of total assets
- Audit coverage of 68% of rental income

Fraud/Noclar, Going concern and climate related risks

- Fraud & Non-compliance with laws and regulations (Noclar) related risks: presumed fraud risk on management override of controls and a fraud risk related to possible conflict of interest in real estate transactions
- Going concern related risks: no significant going concern risks identified
- Climate related risks: the response of the Board of Directors to possible future effects of climate change and their anticipated outcomes have been disclosed in chapter 4.7.1 of the annual report. We have considered the impact of climate related risks on the financial statements and described our approach and observations in the section 'Audit response to climate related risks'

Key audit matters

- Valuation of investment property and investment property under development
- Real estate transactions
- Goodwill
- Correction of errors

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 100 million (2022: EUR 90 million). The materiality is determined with reference to total assets 0.77% (2022: 0.72%). We consider total assets as the most appropriate benchmark because of the nature of the business, the level of activities and asset value is likely the primary focus of the users of the financial statements evaluating CTP N.V.'s financial performance. Materiality has significantly changed compared to last year due to increase of total assets. We have also taken into account misstatements and/or possible misstatements that, in our opinion, are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements identified during our audit in excess of EUR 5 million would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

CTP N.V. is at the head of a group of components. The financial information of this group is included in the financial statements of CTP N.V.

Because we are ultimately responsible for the audit opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for operating companies and issued audit instructions to local auditors. As group auditor we were involved in the full-scope audits performed by local auditors.

Our group audit scoping was mainly based on the accounts investment property and investment property under development. These components are either individually financially significant due to their relative size in the group or because we identified a significant risk of material misstatement for one or more account balances of these entities. In addition, we included certain components in the scope of our group audit where specified audit procedures are performed on the valuation of investment property and investment property under development in order to obtain sufficient audit coverage. All components in scope for group reporting are audited by KPMG member firms. Our involvement included, amongst others the following:

- issuing audit instructions to component auditors prescribing the scope of the audit procedures to be performed, our risk assessment, materiality to be applied and reporting requirements;
- participation in planning discussions with component auditors;
- attending meetings with the local auditors to discuss the results of local audits and discussions on the valuation of investment property with independent appraisers engaged by the company;
- follow-up on reported audit findings;
- review of the component audit files and verification that the audit work had been carried out in accordance with our instructions.

For the residual population not in scope we performed analytical procedures in order to corroborate that our scoping remained appropriate throughout the audit.

By performing the procedures mentioned above together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

The audit coverage as stated in the section summary can be further specified as follows:

Total assets		Investment property and investment property under development		Rental income
60% Audit of complete reporting package	36% Specified audit procedures	60% Audit of complete reporting package	39% Specified audit procedures	68% Audit of complete reporting package

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter 'Risk management, internal controls and compliance' of the annual report, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the company and its business environment, and assessed the design and implementation of the company's risk management in relation to fraud and non-compliance.

Our procedures included, among other things, assessing the company's code of conduct, whistleblowing policy, KYC & AML screening policy, anti-bribery policy, anti-fraud policy, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with the Board of Directors and other relevant functions, such as Internal Audit and Compliance.

As part of our audit procedures, we:

- assessed other positions held by the Board of Directors and other employees and paid special attention to procedures and compliance in view of possible conflicts of interest;
- evaluated correspondence with regulators (e.g. the AFM) as well as legal confirmation letters.

In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the company and identified the following areas as those most likely to have a material effect on the financial statements:

- anti-money laundering laws and regulations; and
- anti-bribery and corruption laws and regulations.

We evaluated the fraud and non-compliance risk factors to consider whether those factors indicate a risk of material misstatement in the financial statements.

Further, we assessed the presumed fraud risk on revenue recognition as irrelevant, because the company's main form of revenue relates to rental income which involves limited judgement as the revenue related to rental income is contractually agreed and with various individual tenants.

Based on the above and on the auditing standards, we identified the following two fraud risks that are relevant to our audit, including the relevant presumed risk laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

We evaluated the design and the implementation of internal controls that mitigate fraud and non-compliance risks, such as processes related to journal entries and estimates.

We performed a data analysis of high-risk journal entries (adjustments to initially recorded changes in fair value of investment property and investment property under development above a threshold) which were subject of the examination and evaluated the key estimates valuation of investment property and investment property under development and judgments for bias by the Board of Directors, including retrospective reviews of prior years' estimates. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

We incorporated elements of unpredictability in our audit:

- performing procedures on an early-stage development project and review the tender process related to selection of a construction company (e.g., multiple quotes obtained, documentation around selection of the party) and selection of advisory fees paid in the period just before a construction permit is obtained and to perform procedures on whether the services are in accordance with the fees paid.
- performing procedures on cost declarations of executive directors.
- determine via inquiry whether accounting staff feels pressure to book journal entries without proper support.

Fraud risk related to conflict of interest in real estate transactions

With respect to the risk of fraud in relation conflict of interest in the real estate transactions, we refer to the Key audit matter 'Real estate transactions'.

We communicated our risk assessment, audit responses and results to the Board of Directors. Our evaluation of procedures performed related to fraud and non-compliance with laws and regulations did not result in an additional key audit matter.

Our audit procedures did not reveal indications or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

As explained in note 2 to the financial statements, the Board of Directors has performed its going concern assessment and has not identified any going concern risks. To assess the Board of Directors' assessment, we have performed, inter alia, the following procedures:

- We considered whether the assessment of the going concern risks performed by the Board of Directors included all relevant information of which we are aware of as a result of our audit;
- We considered whether the developments in share prices indicate a significant going concern risk;
- We analyzed the financial position of the Group as at year end and compared it to the previous financial year in terms of indicators that could identify significant going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Audit response to climate related risks

The company has set out its ambitions relating to climate change in chapter 4.7.1. "Striving to be Climate Positive" of the annual report 2023. The company's ambition is in line with the Paris Agreement to become carbon neutral by 2050 in all scopes as defined by the Greenhouse Gas Protocol Corporate Standard through the reduction of the Group's GHG emissions and water consumption, the production of renewable energy and support for biodiversity.

The Board of Directors has assessed, against the background of the company's business and operations, how climate related risks and the company's own ambitions could have a significant impact on its business or could impose the need to adapt its strategy and operations. The Board of Directors has considered the impact of physical risks extensively and transition risks high-level on the financial statements under the requirements of EU-IFRS.

The Board of Directors prepared the financial statements, including considering whether the implications from climate related risks and ambitions have been appropriately accounted for and disclosed. As part of our audit, we performed a risk assessment of the impact of climate related risk on the financial statements and our audit approach. We performed the following procedures:

- Understanding the company's processes: we held inquiries with the Board of Directors, the Group Head of ESG and other relevant employees for Environmental, Social, and Governance who are responsible for climate risk assessment within the company. The purpose is to understand the client's risk assessment and the climate roadmap to become carbon neutral in all scopes by 2050. The company has performed a physical climate risk assessment including scenario analysis, but a climate roadmap is still in progress.

Further, we inquired how this ambition was translated into investment decisions and the related potential impact of climate related risks and ambitions on the company's annual report and financial statements.

- We evaluated climate risk related fraud risk factors such as pressure from remuneration and expectations from external stakeholders to meet ESG/climate risk related targets. We concluded that the factors do not result in an event or condition that would indicate a risk of material misstatement in the financial statements.
- We have inquired with the external appraiser on how climate risk factors are considered in the external appraisal process and inspected the external valuation reports on potential climate related impact on fair value of investment property.
- We involved KPMG climate change subject matter experts, to assist in understanding how climate related risks and ambitions may affect the entity and its accounting in the current year's financial statements.

Based on the procedures performed above, we found that climate related risks have no material impact on the 2023 financial statements under the requirements of EU-IFRS and no material impact on our key audit matters.

Furthermore, we have read the 'Other information' with respect to climate related risks as included in the annual report and considered whether such information contains material inconsistencies with the financial statements or our knowledge obtained through the audit, in particular as described above and our knowledge obtained otherwise.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

Compared to last year the key audit matter with respect to application of hedge accounting has been removed and those in respect of corrections of errors and goodwill have been added.

KPMG

Valuation of investment property and investment property under development

Description

Investment property and investment property under development (hereafter 'investment property') amounts to EUR 13.4 billion and represent 90% of the Group's total assets as at 31 December 2023. Investment property is valued at fair value; therefore, the Group has to make estimates and use assumptions to determine those fair values. The fair value is, as explained in notes 18 and 19 to the financial statements, determined by the Board of Directors based on appraisal reports by an independent appraiser (98%) or on the acquisition price of investment property as a proxy for the fair value when acquired close to the reporting date (2%).

Because the valuation of investment property and investment properties under development is complex and highly dependent on estimates and significant assumptions (such as estimated rental value and yield/discount rate, and specifically for investment property under development the development margin) and the availability of comparable transactions, we consider the valuation of investment property as a key audit matter in our audit.

Our response

With involvement of KPMG auditors in the Netherlands, Czech Republic, Slovakia, Hungary and Germany, our procedures for the valuation of investment property included:

— assessment of the valuation process with respect to the investment property as at 31 December 2023, including an evaluation of the design and implementation of related internal controls and test of details;

— verification whether lease data provided to the appraisers is consistent with the property management systems, and whether any significant changes have occurred since providing the data to the appraisers;

— evaluation of the competence, capabilities and objectivity of the external appraisal firms;

— involvement of property valuation experts to verify the appropriateness of the valuation methodology, determine the mathematical accuracy of the valuation model and verification of the appropriateness of key assumptions in the valuation process, which consists of estimated rental values and yields/discount rates. This included assessing the historical accuracy of the assumptions in prior periods, our understanding of the market and market developments and a comparison of assumptions and movements therein with publicly available data;

— discussion of the results of the valuation process and our findings and observations with management and the appraisal firms; and

— evaluation of the adequacy of the disclosures in notes 18 and 19 in respect of investment property in conformity with EU-IFRS

Our observation

Overall, we assess that the assumptions and methodologies used, and related estimates resulted in a valuation of investment property which is deemed reasonable and concur with the related disclosures in the financial statements.

Real estate transactions

Description

As part of the normal course of business, real estate transactions take place.

Acquisitions of investment property and investment property under development are significant transactions which are prone to fraud due to the nature of these transactions.

Transactions often involve a variable consideration (earnouts, rental guarantees, etc.) and are structured as asset deals or share deals (depending on tax considerations).

We have identified fraud risk in relation to corruption in the context of the use of agents and/or business partners as part of the acquisition of investment property and investment property under development and related potential conflicts of interest.

The fraud risk has been allocated to specific transactions/properties (i.e. entities within the group that are involved in acquisition of real estate) mainly to screen whether fraud risk factors in transactions are present.

Our response

In respect of fraud risks related to transactions with investment property and investment property under development, we obtained an understanding of management's anti-fraud controls (for example, counterparty due diligence, four-eyes principle, procurement procedures for development/construction contracts). Further, we selected specific transactions to verify whether any fraud risk factors are present especially in the view of a possible of conflict of interest.

At group level, we also inspected minutes of Board meetings in which these transactions are discussed to verify that the governance around the transactions is appropriate, and the required approvals are obtained.

Our observation

Based on our procedures on specific real estate transactions, we have not found any fraud risk factors that would lead to a potential fraud risk and/or conflict of interest.

Corrections of errors

Description

In 2023 management reconsidered the accounting treatment of the acquisition of Deutsche Industrie REIT-AG(DIR) and concluded that in 2022 the transaction should have been accounted for as a business combination in accordance with IFRS 3, rather than an acquisition of assets and liabilities. As the adjustment is material it is treated as a correction of error in accordance with IAS 8. The errors have been corrected by restating the individual line items for prior periods.

In the consolidated financial statements the correction of error lead to the recognition of EUR 171.1 million of goodwill a deferred tax liability of EUR 34.6 million and a resulting increase in equity of EUR 136.5 million. Adjustment of the net valuation result (negative) in 2022 with EU 26.3 million and a number of smaller adjustments lead to a total negative adjustment of total comprehensive income of EUR 28.0 million.

In addition in 2023 management noted that in the accounting for the acquisition of DIR intercompany loans from CTP N.V. to DIR had not been treated correctly. In the transaction these loans were converted to equity. As the adjustment is material it is treated as a correction of error in accordance with IAS 8. The errors have been corrected in the company financial statements by restating the individual line items for prior periods. There is no restatement of the consolidated financial statements. The correction lead to an increase of the investment in group companies of EUR 107.9 million; corresponding adjustments are in long term receivables from group companies and long term payables to group companies. Result for the year 2022 is adjusted with EUR 0.1 million.

Our response

In respect of the correction of error we obtained an understanding of management's analysis and resulting adjustments to the financial statements. Our procedures included:

- Assessing the appropriateness of the accounting treatment in accordance with IFRS 3.
- Reconciling the adjustment relating to the intercompany loans to the transaction documentation.
- Assessing the restatement at the prior period.
- Assessing the treatment and disclosure in accordance with IAS 8.

Our observation

We consider the correction of errors to be determined appropriately and we consider the disclosure in note 4 to the consolidated financial statements and note 3 to the company financial statements appropriate.

Goodwill

Description

At 31 December 2023 CTP N.V. has goodwill of EUR 171 million (2022: EUR 171 million) on the balance sheet. The goodwill arose from the DIR acquisition. Refer to KAM 'Correction of errors' for details. Goodwill is allocated to Cash Generating Units (CGU's) for which management is required to test the carrying value of goodwill for impairment annually or more frequently if there is a triggering event for testing. As described in note 22 goodwill and intangible assets to the consolidated financial statements in 2023 CTP N.V. no goodwill impairment is recognized in 2022 and in 2023. Performing audit procedures related to the goodwill impairment test and in particular the calculation of the recoverable amount is complex and judgmental and subject to significant estimation uncertainty. The most significant judgements were the determination of the WACC and CGU and the assessment of the terminal value growth rate and the future cash flows. Given the financial significance and the level of judgement required and significant estimation uncertainty, we considered this a key audit matter.

Our response

Our procedures cover the methodology, the design of the model used for the goodwill impairment test, the reliability of assumptions for cash flow projections and the reliability of other input data. With the assistance of our valuation specialists we performed the following procedures:

— assessment of the appropriateness of the methodology and mathematical accuracy of the calculations in the model;

— assessment of the appropriateness of the WACC;

— assessment of the assumptions used by comparing them to external data such as expected inflation rates, discount rates and implied growth rates;

— assessment of the consistency of cash flow projections used in the valuation with information approved by management such as business plans (including expected growth rates);

— reconciliation of the carrying values of the CGU to the EU-IFRS balance sheet of these entities;

— assessment of the adequacy of the disclosure around goodwill and goodwill impairment;

— performing sensitivity analysis on the derived value in use.

Our observation

We consider management's methods, assumptions and data used to calculate the recoverable amount of goodwill to be reasonable and the impairment charge recorded to be appropriate. We also found the goodwill and goodwill impairment notes in the financial statements to be adequate.

We refer to the disclosure on goodwill and intangible assets in note 22.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were engaged by the General Meeting of Shareholders as auditor of CTP N.V. on 16 March 2021, as of the audit for the year 2021, and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

European Single Electronic Format (ESEF)

CTP N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the (partly) marked-up consolidated financial statements as included in the reporting package by CTP N.V., complies in all material respects with the RTS on ESEF.

The Board of Directors is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby the Board of Directors combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF. We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting). Our examination included among others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package;
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
- Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
- Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Board of Directors is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description forms part of our auditor's report.

Amstelveen, 11 March 2024

KPMG Accountants N.V.

H.D. Grönloh RA

Appendix:

Description of our responsibilities for the audit of the financial statements

KPMG

Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Appendices

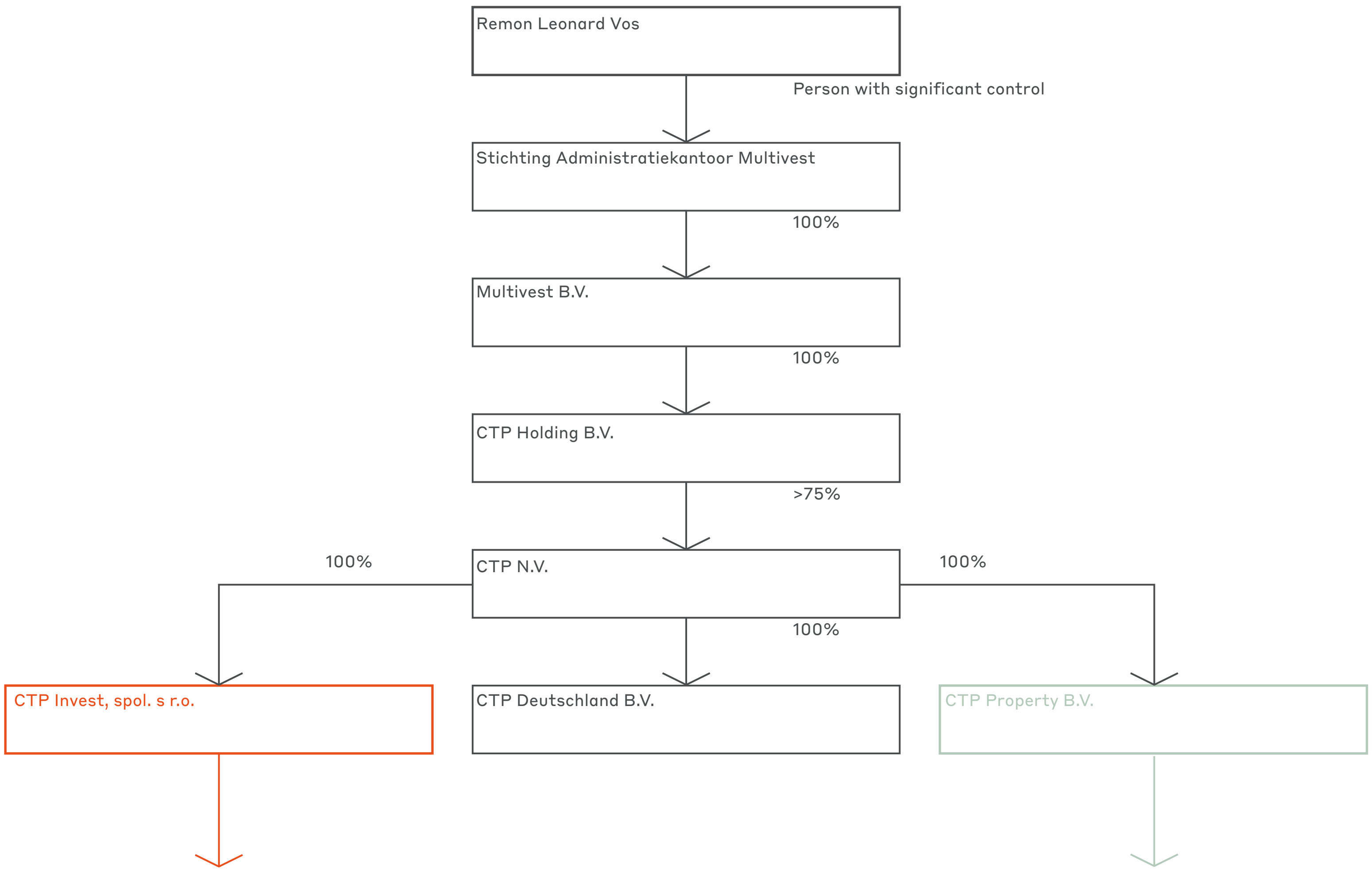
7

Appendices

7.1 Group Structure

GRI 2-2

CTP GROUP STRUCTURE CHART
AS AT 31 DECEMBER 2023



CONTINUES ON THE PAGES 298-300

CONTINUES ON THE PAGES 301-302

CTP Invest, spol. s r.o.

Czech Republic

CTP Property Czech, spol. s r.o.	100%
CTP X, spol. s r.o.	100%
CTPark Brno Retail, spol. s r.o.	100%
CTPark Brno III, spol. s r.o.	100%
CTPark Prague North II, spol. s r.o.	100%
CTP XIV, spol. s r.o.	100%
CTP II, spol. s r.o.	100%
CTPark Prague North III, spol. s r.o.	100%
CTP III, spol. s r.o.	100%
CTP V, spol. s r.o.	100%
CTPark Stříbro, spol. s r.o.	100%
CTP XV, spol. s r.o.	100%
CTP XVI, spol. s r.o.	100%
CTP XVIII, spol. s r.o.	100%
CTP Forest, spol. s r.o.	100%
Clubco Vlněna, spol. s r.o.	100%
CTPark Blučina, spol. s r.o.	100%
CTP Barrandov, spol. s r.o.	100%
CTP XXII, spol. s r.o.	100%
CTPark Lysá nad Labem, spol. s r.o.	100%
CTP IQ Ostrava, spol. s r.o.	100%
CTP XII, spol. s r.o.	100%
CTP XI, spol. s r.o.	100%
CTP IV, spol. s r.o.	100%
CTP VI, spol. s r.o.	100%
Spielberk Business Park, spol. s r.o.	100%
CTZone Ostrava, spol. s r.o.	100%
CTP Energy CZ, spol. s r.o.	100%
CTP VIII, spol. s r.o.	100%
CTP XXIV, spol. s r.o.	100%
CTPark Ostrava Hrušov, spol. s r.o.	100%
CTPark Nýřany, spol. s r.o.	100%
CTP Nová Zvonařka, spol. s r.o.	100%
CTPark Nýřany II, spol. s r.o.	100%
Clubco Nupaky, spol. s r.o.	100%
Clubco Ostrava, spol. s r.o.	100%
CTPark Tošanovice a.s.	100%

CTP Hotel Pilsen, spol. s r.o.	100%
└ CTP Hotel Operations Pilsen, spol. s r.o.	90%
10% CTP Invest, spol. s r.o.	
CTP Hotel Prague, spol. s r.o.	100%
└ CTP Hotel Operations Prague, spol. s r.o.	90%
10% CTP Invest spol. s.r.o.	
Spielberk Business Park II, spol. s r.o.	100%
└ CTP Hotel Operations Brno, spol. s r.o.	100%
CTP CEE Properties, spol. s r.o.	100%

Romania

CTP INVEST BUCHAREST SRL	100%
└ Universal Management SRL	100%
└ CTPARK MANAGEMENT TURDA SRL	100%
└ CTPARK MANAGEMENT AFUMATI SRL	100%
CTPARK THETA SRL	100%
CTPARK PSI SRL	100%
CTPARK ZETA SRL	100%
CTPARK EPSILON SRL	100%
CTPARK IOTA SRL	100%
CTPARK MIU SRL	100%
CTPARK OMICRON SRL	100%
CTPARK RHO SRL	100%
CTPARK KM23 NORTH SRL	100%
FOREST PROPERTY INVEST SRL	100%
CTP Solar SRL	100%
CTPARK ARAD NORTH SRL	100%
CTPARK SIBIU EAST SRL	100%
CTPARK CRAIOVA EAST SRL	100%
CTPARK ORADEA NORTH SRL	100%
CTPARK TIMISOARA EAST SRL	100%
CTPARK BRASOV SRL	100%
CTPARK BRASOV WEST SRL	100%
CTPARK BUCHAREST SOUTH II SRL	100%
CTPARK CHITILA SRL	100%
CTPARK PITESTI SRL	100%
CTPark Pitesti East SRL	100%
CTPark Timisoara North SRL	100%
CTPark Dragomiresti SRL	100%

Hungary

CTP Management Hungary Kft.	100%
CTPark Twelve Kft.	100%
CTPark Thirteen Kft.	100%
CTPark Fourteen Kft.	100%
CTPark Fifteen Kft.	100%
CTPark Sixteen Kft.	100%
CTPark Seventeen Kft.	100%
Office Campus Real Estate Kft.	100%
CTP Energy Hungary Kft.	100%
CTPark Eighteen Kft.	100%
CTPark Nineteen Kft.	100%
CTPark Twenty Kft.	100%
CTPark Twenty One Kft.	100%
CTPark Twenty Two Kft.	100%
CTPark Twenty Three Kft.	100%
CTPark Twenty Four Kft.	100%
CTPark Twenty Five Kft.	100%
CTPark Twenty Six Kft.	100%
CTPark Twenty Seven Kft.	100%
CTPark Twenty Eight Kft.	100%
CTPark Twenty Nine Kft.	100%
CTPark Thirty Kft.	100%
CTPark Thirty One Kft.	100%

CTP Invest, spol. s r.o.

Poland

CTP Invest Poland Sp. z o.o.	100%
CTPark Zabrze Sp. z o.o.	100%
CTP Beta Poland Sp. z o.o.	100%
CTP Delta Poland Sp. z o.o.	100%
CTP Zeta Poland Sp. z o.o.	100%
CTP Epsilon Poland Sp. z o.o.	100%
CTP Iota Poland Sp. z o.o.	100%
CTP Dystrybucja Sp. z o.o.	100%
CTP Lambda Poland Sp. z o.o.	100%
CTP Mu Poland Sp. z o.o.	100%
CTP Xi Poland Sp. z o.o.	100%
CTP Tau Poland Sp. z o.o.	100%
CTP Energy Poland Sp. z o.o.	100%
CTP Pi Poland Sp. z o.o.	100%
CTP Rho Poland Sp. z o.o.	100%
CTP Chi Poland Sp. z o.o.	100%
CTP Omega Poland Sp. z o.o.	100%
CTP Property Alpha Poland Sp. z o.o.	100%
CTP Property Gamma Poland Sp. z o.o.	100%
CTP Property Delta Poland Sp. z o.o.	100%
CTP Property Epsilon Poland Sp. z o.o.	100%
CTP Property Eta Poland sp. z o.o.	100%
CTP Property Zeta Poland sp. z o.o.	100%
CTP Property Theta Poland sp. z o.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTP Property Iota Poland sp. z o.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTP Property Kappa Poland sp. z o.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTP Property Lambda Poland sp. z o.o.	100%
CTP Property Mu Poland sp. z o.o.	100%
CTP Property Nu Poland sp. z o.o.	100%
Wiskitki Project sp. z o.o.	100%

Slovakia

CTP Invest SK, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTPark Čierny Les, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTP Prešov North, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTPark Trnava II, spol. 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.	
CTPark Žilina Airport II, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTPark Bratislava East, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTP Solar SK, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTPark Banská Bystrica, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTPark Land SK 1, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	
CTP Energy SK, spol. s r.o.	90%
└ 10% CTP Property Czech, spol. s r.o.	

Netherlands

CTP Invest B.V.	100%
CTP Alpha B.V.	100%
CTP Beta B.V.	100%
CTP Gamma B.V.	100%
CTPark Bremen B.V.	100%
CTP Zeta B.V.	100%
CTP Energy B.V.	100%
CTP Lambda B.V.	100%
CTP ALC B.V.	100%
CTP Mu B.V.	100%
└ Multifin B.V.	100%

Germany

└ CTP Germany II GmbH	100%

CTP Baltic Holding B.V.	100%

Latvia

└ Samesova SIA	100%
└ Vojtova SIA	100%
└ Zemankova SIA	100%

Lithuania

└ UAB Samesova	100%
└ UAB Vojtova	100%
└ UAB Zemankova	100%

Estonia

└ Samesova OÜ	100%
└ Vojtova OÜ	100%
└ Zemankova OÜ	100%

Turkey

CTP Turkish Holding B.V.	100%
└ CTP ALPHA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	100%
└ CTP BETA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	100%
└ CTP GAMMA GAYRİMENKUL VE İNŞAAT LİMİTED ŞİRKETİ	100%

CTP Mediterranean Holding B.V.	100%

Egypt

└ CTP Real Estate	90%
10% CTP Baltic Holding B.V.	
└ CTP Real Estate Development	90%
10% CTP Baltic Holding B.V.	
└ CTP Invest	90%
10% CTP Baltic Holding B.V.	

CTP Invest, spol. s r.o.

Serbia

CTP Invest d.o.o. Beograd-Novi Beograd	100%
CTP Energy d.o.o. Beograd-Novi Beograd	100%
CTP Sigma d.o.o. Beograd-Novi Beograd	100%
CTP Omicron d.o.o. Beograd-Novi Beograd	100%
CTP Phi d.o.o. Beograd-Novi Beograd	100%
CTP Rho d.o.o. Beograd-Novi Beograd	100%
CTP Tau d.o.o. Beograd-Novi Beograd	100%
CTP Property Alpha d.o.o. Beograd-Novi Beograd	100%
CTP Property Beta d.o.o. Beograd-Novi Beograd	100%
CTP Property Gamma d.o.o. Beograd-Novi Beograd	100%
CTP Property Delta d.o.o. Beograd-Novi Beograd	100%

Bulgaria

CTP Invest EOOD	100%
CTPark Beta EOOD	100%
CTPark Gamma EOOD	100%
CTPark Delta EOOD	100%
CTPark Epsilon EOOD	100%
└ Project Vrajdebna EOOD	100%
CTPark Zeta EOOD	100%
└ CTPark Kappa EOOD	100%
CTPark Eta EOOD	100%
└ CTPark Lambda EOOD	100%
CTPark Theta EOOD	100%
CTPark Iota EOOD	100%
CTPark Sofia Ring Road EOOD	100%
CTPark Sofia EOOD	100%
CTP Energy Bulgaria EOOD	100%
CTPark Mu EOOD	100%

Austria

CTP Beta GmbH	100%
CTP Invest Immobilien GmbH	100%
CTP Alpha GmbH	100%
CTP Gamma GmbH	100%
CTP Delta GmbH	100%
CTP Epsilon GmbH	100%
CTP Zeta GmbH	100%
CTP Eta GmbH	100%
CTP Theta GmbH	100%
CTP Iota GmbH	100%
CTP Kappa GmbH	100%
CTP Energy GmbH	100%
CTP Lambda GmbH	100%
CTP Mu GmbH	100%
CTP Nu GmbH	100%
CTP Xi GmbH	100%
CTP Omicron GmbH	100%
CTP Pi GmbH	100%

Germany

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

Slovenia

CTPark Alpha, d.o.o.	100%

Spain

Global Guanaco, S.L.U.	100%

France

CTP France	100%
CTP Alpha France	100%
CTP Beta France	100%

Italy

CTP Italy S.r.l.	100%
CTP Alpha S.r.l.	100%
CTP Beta S.r.l.	100%

United Kingdom

CTP Invest Ltd	100%
CTP Alpha Ltd	100%
CTP Beta Ltd	100%

CTP Property B.V.

Czech Republic

CTP Borská Pole, spol. s r.o.	100%
CTP Vysočina, spol. s r.o.	100%
CTPark Ostrava, spol. s r.o.	100%
CTP Moravia South, spol. s r.o.	100%
CTPark Mladá Boleslav, spol. s r.o.	100%
CTP Bohemia North, spol. s r.o.	100%
CTPark Brno Líšeň West, spol. s r.o.	100%
CTP Moravia North, spol. s r.o.	100%
CTP Pilsen Region, spol. s r.o.	100%
CTP Bohemia West, spol. s r.o.	100%
CTPark Ostrava Poruba, spol. s r.o.	100%
CTPark České Velenice, spol. s r.o.	100%
CTPark Hranice, spol. s r.o.	100%
CTP XXIII, spol. s r.o.	100%
CTPark Prague Airport, spol. s r.o.	100%
CTPark Prague East, spol. s r.o.	100%
CTP Domeq Brno, spol. s r.o.	100%
CTP Ponávka Business Park, spol. s r.o.,	100%
CTP Solar I, a.s.	100%
CTP Bohemia South, spol. s r.o.	100%
CTP Alpha, spol. s r.o.	100%
CTPark Chrastava a.s.	100%
CTP Solar II, a.s.	100%
CTP Solar III, spol. s r.o.	100%
CTPark Brno, spol. s r.o.	100%
CTPark Prague West, spol. s r.o.	100%
CTPark Cerhovice, spol. s r.o.	100%
CTP Vlněna Business Park, spol. s r.o.	100%
CTPark Plzeň, spol. s r.o.	100%
CTPark Brno Líšeň East, spol. s r.o.	100%
CTP XVII, spol. s r.o.	100%
CTPark Brno Líšeň II, spol. s r.o.	100%
CTPark Aš II, spol. s r.o.	100%
CTP CEE Sub Holding, spol. s r.o.	100%

Poland

└ CTPark Iłowa Sp. z o.o.	100%
└ CTP Gamma Poland Sp. z o.o.	100%
└ CTP Property Beta Poland Sp. z o.o.	100%

Romania

CTP CONTRACTORS SRL	100%
CTPARK ALPHA SRL	100%
CTPARK BETA SRL	100%
CTPARK GAMMA SRL	100%
CTPARK DELTA SRL	100%
CTPARK BUCHAREST SRL	100%
CTPARK BUCHAREST WEST I SRL	100%
CTPARK DEVA II SRL	100%
CTPARK BUCHAREST WEST II SRL	100%
CTPARK KAPPA SRL	100%
CTPARK BUCHAREST II SRL	100%
CTPARK LAMBDA SRL	100%
CTPARK OMEGA SRL	100%
CTPARK PHI SRL	100%
CTPARK SIGMA SRL	100%
CTPARK TAU SRL	100%
CTPARK ETA SRL	100%
CTPark Bucharest A1 SRL	100%
CTPARK BUCHAREST UPSILON SRL	100%

Hungary

CTPark Alpha Kft.	100%
CTPark Beta Kft.	100%
CTPark Gamma Kft.	100%
CTPark Delta Kft.	100%
CTPark Biatorbágy Kft.	100%
CTPark Arrabona Kft.	100%
CTPark Seven Kft.	100%
CTPark Eight Kft.	100%
CTPark Ten Kft.	100%
CTPark Nine Kft.	100%
CTPark Eleven Kft.	100%

Germany

CTP Germany VII GmbH	100%
CTP Germany VIII GmbH	100%
CTP Germany IX GmbH	100%
CTP Germany X GmbH	100%

CTP Property B.V.

Slovakia

CTP Alpha SK, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Krásno nad Kysucou, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTP Slovakia, s. r. o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Bratislava, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Hlohovec, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Nitra, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Nove Mesto, spol. s.r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Košice, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Prešov s.r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Žilina Airport, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	
CTPark Námestovo, spol. s r.o.	90%
└ 10% CTP CEE Sub Holding, spol. s r.o.	

Serbia

CTP Alpha d.o.o. Beograd-Novi Beograd	100%
CTP Beta d.o.o. Beograd-Novi Beograd	100%
CTP Gamma d.o.o. Beograd-Novi Beograd	100%
CTP Delta d.o.o. Beograd-Novi Beograd	100%
CTP Epsilon d.o.o. Beograd-Novi Beograd	100%
CTP Kappa d.o.o. Beograd-Novi Beograd	100%
CTP Lambda doo Beograd	100%

Poland

CTPark Opole Sp. z o.o.	100%
CTP Eta Poland Sp. z o.o.	100%
CTP Nu Poland Sp. z o.o.	100%
CTP Sigma Poland Sp. z o.o.	100%

Netherlands

CTP Epsilon B.V.	100%
CTP Theta B.V.	100%
CTP Eta B.V.	100%
CTP Kappa B.V.	100%
CTP Nu B.V.	100%
CTP Xi B.V.	100%
CTP Omicron B.V.	100%
CTP Pi B.V.	100%
CTP Rho B.V.	100%
CTP Portfolio Finance Czech B.V.	100%

Czech Republic

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

Hong Kong

CTP Invest Hong Kong Limited	100%

7.2 EPRA Financial Performance Metrics

Indicator	2023	2022 restated
1. EPRA EARNINGS		
a. EPRA EPS	€0.69	€0.51
b. Company Specific Adjusted EPRA EPS	€0.73	€0.61
2. EPRA NAV METRICS		
a. EPRA Net Tangible Assets	€15.92	€13.81
b. EPRA Net Reinstatement Value	€16.36	€14.23
c. EPRA Net Disposal Value	€14.90	€14.52
3. EPRA YIELD METRICS		
a. EPRA NET INITIAL YIELD (NIY)	5.6%	5.5%
b. EPRA 'TOPPED-UP' NIY	5.8%	5.6%

7.2.1 EPRA EARNINGS

	(€million)	2023	2022 restated
	Earnings per IFRS income statement	**922.6**	**766.6**
	Adjustments to calculate EPRA Earnings, exclude:	-	
(i)	Changes in value of investment properties, development properties held for investment and other interests	878.7	697.3
(ii)	Profits or losses on disposal of investment properties, development properties held for investment and other interests	3.7	0.9
(iii)	Profits or losses on sales of trading properties including impairment charges in respect of trading properties.	-	
(iv)	Tax on profits or losses on disposals	-0.1	-0.2
(v)	Negative goodwill / goodwill impairment	-	
(vi)	Changes in fair value of financial instruments and associated close-out costs	-1.7	4.1
(vii)	Acquisition costs on share deals and non-controlling joint venture interests	-	
(viii)	Deferred tax in respect of EPRA adjustments	-265.6	-158.8
(ix)	Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	-	
(x)	Non-controlling interests in respect of the above	-	3.0
	EPRA Earnings	**307.7**	**220.4**
	Average number of shares (in million)	**446.1**	**434.0**
	EPRA Earnings per Share (EPS)	**0.69**	**0.51**
	Company specific adjustments:		
(a)	FX related to company restructuring, intra-group transfer of SPV's	9.2	−2.2
(b)	Non-recurring financing cost (i.e., arrangement fees, etc.)	−6.6	−16.1
(c)	Non-recurring items unrelated to operational performance (i.e., donations, transaction advisory, write-offs, etc.)	−22.9	−34.7
(d)	Tax in respect of Company specific adjustments	4.5	7.9
	Company specific adjusted EPRA Earnings	**323.5**	**265.5**
	Company specific adjusted EPRA EPS	**0.73**	**0.61**

7.2.2 EPRA NET ASSET VALUE METRICS

(€million)	31 December 2023			31 December 2022 Restated		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	**6,166.9**	**6,166.9**	**6,166.9**	**5,421.0**	**5,421.0**	**5,421.0**
Include / Exclude:	-	-	-			
i) Hybrid instruments	-	-	-			
Diluted NAV	**6,166.9**	**6,166.9**	**6,166.9**	**5,421.0**	**5,421.0**	**5,421.0**
Include:	-	-	-			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	-	-	-			
ii.b) Revaluation of IPUC (if IAS 40 cost option is used)	-	-	-			
ii.c) Revaluation of other non-current investments	-	-	-			
iii) Revaluation of tenant leases held as finance leases	-	-	-			
iv) Revaluation of trading properties	-	-	-			
Diluted NAV at Fair Value	**6,166.9**	**6,166.9**	**6,166.9**	**5,421.0**	**5,421.0**	**5,421.0**
Exclude:	-	-	-			
v) Deferred tax in relation to fair value gains of IP	-1,162.3	-1,162.3	-	-915.6	-915.6	
vi) Fair value of financial instruments	16.1	16.1	-	27.5	27.5	
vii) Goodwill as a result of deferred tax	38.8	38.8	38.8	38.8	38.8	38.8
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	132.3	132.3		132.3	132.3
viii.b) Intangibles as per the IFRS balance sheet	-	5.4	-		3.5	
Include:	-	-	-			
ix) Fair value of fixed interest rate debt	-	-	683.7			1,199.6
x) Revaluation of intangibles to fair value	-	-	-			
xi) Real estate transfer tax	59.4	-	-	50.9		
NAV	**7,333.7**	**7,136.6**	**6,679.5**	**6,321.1**	**6,134.4**	**6,449.5**
Fully diluted number of shares (in million)	448.4	448.4	448.4	444.1	444.1	444.1
NAV per share	**16.36**	**15.92**	**14.90**	**14.23**	**13.81**	**14.52**

7.2.3 EPRA NIY AND 'TOPPED-UP' NIY

(€million)	31 December 2023	31 December 2022
Investment property – wholly owned	12,478.9	10,554.6
Investment property – share of JVs/Funds	-	
Trading property (including share of JVs)	-	
Less: developments	1,359.6	1,193.3
Completed property portfolio	11,119.4	9,361.3
Allowance for estimated purchasers' costs	-	
Gross up completed property portfolio valuation	**11,119.4**	**9,361.3**
Annualised cash passing rental income	637.7	527.4
Property outgoings	20.0	16.4
Annualised net rents	**617.7**	**511.0**
Add: notional rent expiration of rent free periods or other lease incentives	25.1	15.8
Topped-up net annualised rent	642.8	526.8
EPRA NIY	**5.6%**	**5.5%**
EPRA "topped-up" NIY	**5.8%**	**5.6%**

7.3 Environmental Indicators

To truly assess the impact of CTP's operations on the environment, it is crucial to a develop a detailed measurement system that thoroughly captures the Company's energy use and its impact. To this end, CTP developed a system to collect energy-related data based on supplier invoicing and meter readings. The ESG team compiled and consolidated the data at the annual and Group levels. Disaggregation does not apply to the Company in these reports.

7.3.1 CLIMATE

The figures reported are based on the data CTP has available. For data coverage, please refer to Section 4.7.1.1.7 Energy of this report. Data has not been extrapolated for the calculation of the intensities reported.

Any split between data, as indicated in these tables, is based on the submetering available at corporate offices, parks, and buildings.

7.3.1.1 ENERGY

ENERGY USE WITHIN OWN OPERATIONS

ESRS E1-5-37, ESRS E1-5-38, GRI 302-1

	Category	Units	Baseline 2022	2023
Fuel Consumption (Scope 1) [1]	**Total**	**MWh**	**15,100**	**16,856**
	Corporate Offices (Natural gas)	MWh	498	610
	Corporate Offices (Other fossil energies)	MWh	0	0
	Corporate Vehicles (Petrol/Diesel)	MWh	3,692	5,117
	Jet Fuels	MWh	8,959	10,702
	CTParks (Natural Gas)	MWh	195	309
	Portfolio (Natural Gas)	MWh	928	117
District Heating (Scope 2)	**Total**	**MWh**	**2,928**	**2,330**
	Corporate Offices	MWh	76	163
	Portfolio	MWh	2,852	2,168
Electricity (Scope 2)	**Total**	**MWh**	**10,892**	**8,650**
	Corporate offices	MWh	684	855
	Of which renewables	MWh	21	375
	CTParks	MWh	3,804	3,264
	Of which renewables	MWh	550	1,595
	Portfolio	MWh	6,404	4,531
	Of which renewables	MWh	165	1,000

1 CTP does not consume self-generated non-fuel renewable energies.

ENERGY OUTSIDE THE ORGANISATION

GRI 302-2

Category	Units	Baseline 2022	2023
Category 13 Downstream Leased Assets			
Energy Consumption	MWh	615,302	1,195,326
Purchased renewables	MWh	91,298	259,769
Renewables provided by CTP Energy	MWh	3,106	5,716[1]

EPRA ENERGY PORTFOLIO[2]

Category	Units	Baseline 2022 (LfL)	2023 (LfL)
Fuel Consumption [Fuel-Abs/Fuel-LfL]	MWh	208,587 (207,149)	512,665 (184,470)
District Heating [DH&C-Abs/DH&C-LfL]	MWh	43,090 (39,778)	50,796 (35,966)
Electricity [Elec-Abs/Elec-LfL]	MWh	394,322 (380,757)	638,681 (415,896)

CTP ENERGY

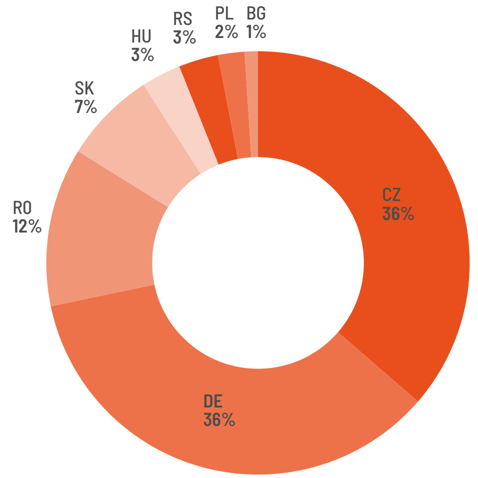
ESRS E1-5-39

Category	Units	Baseline 2022	2023	Targets 2026
Installed capacity	MWp	38	100	400
Solar energy produced	MWh	5,229	22,898	-
Of which exported to the grid	MWh	2,015	17,043	-
Of which used by CTP or tenants	MWh	3,106	5,776[1]	-

1 A minor fraction of the renewables produced by CTPs PV installations was used at one of its buildings, namely Amsterdam City.
2 The LfL comparison only includes buildings for which energy was recorded in 2022 and 2023.
3 This includes all energy consumed within the portfolio, including landlord and client consumption.

FIG. 7.3.1.1 ENERGY[3]

(% of MWh)



7.3.1.2 GREENHOUSE GAS EMISSIONS

CARBON FOOTPRINT

ESRS E1-6-48, ESRS E1-6-49, ESRS E1-6-51, ESRS E1-6-52, GRI 305-1, GRI 305-2, GRI 305-3

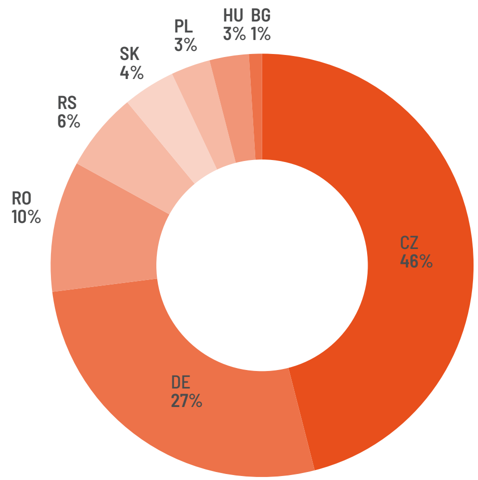
Category	Units	Baseline 2022	2023
Scope 1	tCO2e	6,089	6,782
Scope 2 (Location-based)	tCO2e	5,540	4,218
Scope 2 (Market-based)	tCO2e	5,815	3,461
Scope 3	tCO2e	211,938	581,460
Scope 1 + 2 (Location-based)	tCO2e	11,629	11,000
Scope 1 + 2 (Market-based)	tCO2e	11,904	10,243
Total location based	**tCO2e**	**223,567**	**592,460**
Total market based	**tCO2e**	**223,842**	**591,703**

GHG EMISSIONS BY CATEGORY

Category	Units	Baseline 2022	2023
Scope 1			
Corporate offices (all fuels)	tCO_2e	91	112
Corporate vehicles (diesel/ petrol)	tCO_2e	908	1,280
Jet Fuel	tCO_2e	2,345	2,802
CTParks	tCO_2e	36	57
Portfolio	tCO_2e	170	22
Refrigerants in portfolio	tCO_2e	2,387	2,509
Scope 2 – Location-based			
Corporate offices	tCO2e	289	395
CTParks	tCO_2e	1,763	1,186
Portfolio	tCO_2e	3,586	2,638
Scope 2 – Market Based			
Corporate offices	tCO_2e	300	277
CTParks	tCO2e	1,763	1,306
Portfolio	tCO_2e	3,751	1,878
Scope 3			
Category 1: Goods and Services	tCO_2e	-	213,308
Category 6: Business Travel	tCO2e	76	184
Category 13: Downstream Leased Assets	tCO_2e	211,860	367,968

FIG. 7.3.1.2 EMISSIONS[1]

(% of kgCO₂e)



EPRA GHG PORTFOLIO

Category	Units	Baseline 2022	2023
Scope 1 [GHG-Dir-Abs]	tCO2e	2,593	2,588
Scope 2 Location-Based [GHG-indir-Abs]	tCO2e	5,349	3,823
Scope 2 Market-Based [GHG-indir-Abs]	tCO2e	5,514	3,184
Scope 3: Category 13: Downstream Leased Assets	tCO2e	211,860	367,968

1 This includes all GHG emissions within the portfolio, including landlord and client emissions.

7.3.1.3 INTENSITIES

ESRS E1-5-40, ESRS E1-5-41, ESRS E1-5-42, ESRS E1-5-43, ESRS E1-6-54, ESRS E1-6-55, GRI 302-3, GRI 305-4

Company intensities
For the calculation of the intensities CTP has used:
- Numerators
  - Energy consumption within the organisation
  - Total GHG emissions (Scopes 1, 2, and 3)
- Denominators
  - Net Revenue: €673.8 million [1]

COMPANY INTENSITIES

Category	Units	2022	2023
Total energy consumption	MWh/€ Revenue	Not calculated	0.000041
Total GHG emissions (Location-based)	tCO2e/€ Revenue	Not calculated	0.000016
Total GHG Emissions (Market-based)	tCO2e/€ Revenue	Not calculated	0.000015

PORTFOLIO INTENSITIES

Category	Units	2022	2023 [2]
Energy Consumption [Energy-Int]	kWh/m2	82.00	138.34
GHG Emissions [GHG-Int]	CO2e/m2	34.81	42.17

1 Net Revenue as defined in Notes 8 – 9 in Chapter 6.
2 In 2023, CTP expanded the scope of reporting adding multiple properties, including some industrial buildings of high energy intensity in Germany.

7.3.2 WATER & EFFLUENTS

GRI 303-3, EPRA WATER-ABS, EPRA WATER-LFL

Water-related data was collected through an internally created system based on supplier invoicing and meter readings. The ESG team compiled and consolidated the data at the annual and Group levels. All water withdrawn is freshwater.

As stated in Section 4.2.1 Basis for Preparation, CTP includes all the buildings in its portfolio as within the boundaries of coverage. The data coverage is as follows:
- Corporate offices: 85% of corporate offices
- CTParks: 100%
- Portfolio buildings:
  - Landlord-controlled: 100% of landlord-controlled gross building floor area
  - Tenant-controlled: 65% of tenant controlled gross building floor area
  - Splits presented are based on submetering where available.

Splits presented are based on submetering where available.

CTP uses the Aqueduct Water Risk Atlas, a GRI recommended tool, to define which of its operations are located in areas where there is high water stress, 40% and upward. For the 2022 report, CTP used the annual overview of the water stress level. For the 2023 calculation, CTP uses Aqueduct 4.0 and looks towards the future, 2030, with the business-as-usual scenario. The numbers for 2022 have not been recalculated as CTP understands that time plays a factor in the description of water stress levels.

At CTParks, most water is used for irrigation; therefore, water goes into the groundwater without metering, making discharge negligible.

7.3.2.1 WATER WITHDRAWAL CORPORATE OPERATIONS

WATER WITHDRAWAL CORPORATE OPERATIONS

Category	Units	All areas		Areas with water stress	
		2022	2023	2022	2023
Surface Water	m³	-	0	Unknown	0
Groundwater	m³	-	0	Unknown	0
Municipal Water	m³	2,723	10,923	Unknown	4,353
Unknown	m³	2,100	0	Unknown	0

WATER WITHDRAWAL CTPARKS

Category	Units	All areas		Areas with water stress	
		2022	2023	2022	2023
Surface Water	m³	-	0	-	0
Groundwater	m³	6,576	16,293	6,576	5,000
Municipal Water	m³	8,652	24,266	-	0
Unknown	m³	18,282	11,088	0	3,855

WATER WITHDRAWAL[1] IN PORTFOLIO

Category	Units	All areas		Areas with water stress	
		2022 (LfL)	2023(LfL)	2022	2023
Surface Water Landlord-controlled	m³	-	0	-	0
Surface Water Client-controlled	m³	-	6,280	-	0
Groundwater Landlord-controlled	m³	5,190	7,244	193,642	7,230
Groundwater Client-controlled	m³	191,037	282,221	92,905	122,550
Municipal Water Landlord-controlled	m³	50,440	38,296	379,190	8,489
Municipal Water Client-controlled	m³	938,613	1,440,287	112,233	88,185
Unknown Landlord-controlled	m³	2,360	0	0	0
Unknown Client-controlled	m³	55,431	0	3,385	0
Totals [Water-Abs/Water-LfL]	m³	**1,243,072 (1,206,389)**	**1,774,328 (990,066)**	**781,355**	**226,453**

7.3.2.2 INTENSITIES

CTP acknowledges limitations in its ability to obtain data. Intensities are based on the data CTP has available. For data coverage, please refer to Section 7.3.2 of this report.

WATER INTENSITIES PORTFOLIO

Category	Units	Base Year 2022	Performance 2023	Targets 2026
Total Water Consumption [Water-Int]	m³/m² Water-Int	0.19	0.19	0.16

1 In the LfL comparison, CTP only includes buildings with data for both 2022 and 2023.

7.3.3 WASTE

GRI 306-3, GRI 306-4, GRI 306-5, EPRA WASTE-ABS, WASTE-LFL

As stated in Section 4.2.1 Basis for Preparation, CTP includes all the buildings in its portfolio as within the boundaries of coverage. The data coverage is as follows:
- Corporate offices: 85% of corporate offices
- CTParks: 100%
- Portfolio buildings: 45% of gross building floor area

With regards to waste collection, CTP assumes that the figures presented for corporate oprations and CTParks fall under the Company's responsibility. The figures presented for the portfolio fall under tenant's responsibilities.

7.3.3.1 WASTE GENERATED AND DISPOSAL ROUTE IN CORPORATE OPERATIONS (METRIC TONS)

WASTE GENERATED AND DISPOSAL ROUTE IN CORPORATE OPERATIONS

Disposal Route	Units	2022	2023
Landfill	kg	77,000	37,951
Incineration	kg	2,000	1,788
Reuse	kg	-	-
Waste to energy	kg	3,000	-
Recycling	kg	11,000	4,799
Other/Unknown	kg	-	15,759
Totals	**kg**	**92,000**	**60,298**

7.3.3.2 WASTE GENERATED AND DISPOSAL ROUTE AT CTPARKS (METRIC TONS)

The figure below are all waste collected from the Landlord.

WASTE GENERATED AND DISPOSAL ROUTE AT CTPARKS

Disposal Route	Units	2022	2023
Landfill	kg	-	206,599
Incineration	kg	-	1,165
Reuse	kg	-	0
Waste to energy	kg	-	2,428
Recycling	kg	-	1,604
Other/Unknown	kg	-	371,083
Totals	**kg**	**-**	**582,879**

7.3.3.3 WASTE GENERATED AND DISPOSAL ROUTE IN PORTFOLIO (METRIC TONS)

The figures below are all waste collected from clients.

WASTE GENERATED AND DISPOSAL ROUTE IN PORTFOLIO

Disposal route	Units	2022 (LfL)	2023 (LfL)
Landfill	kg	5,965,000	2,347,466
Incineration	kg	208,000	1,699,170
Reuse	kg	1,174,000	176,703
Waste to energy	kg	1,841,000	145,771
Recycling	kg	3,900,000	1,664,484
Other/Unknown	kg	2,665,000	5,131,423
Totals [Waste-Abs/Waste-LfL]	**kg**	**15,753,000 (13,568,000)**	**11,165,018 (2,421,860)**

7.3.4 NEW BREEAM CERTIFICATIONS 2023

BREEAM Certificate Type & Level [EPRA Cert-Tot]	Number	At Least 8 Points ENE1
In Use		
Outstanding	1	N/A
Excellent	24	N/A
Very Good	21	N/A
Good	2	N/A
Total In use	**48**	**-**
New Construction		
Outstanding	1	1
Excellent	9	9
Very Good	3	2
Total New Construction	**13**	**12**
Total New Certificates	**61**	**12**
Share of BREEAM New Construction with at least 8 points in ENE1	20%	-

7.3.5 NEW EPC CERTIFICATIONS

CTP EPCs obtained in 2023		
Class	**Certificates**	**Share**
EPC A (including better than A)	19	49%
EPC B	10	26%
EPC C	1	3%
EPC D	-	0%
EPC non rated (Poland)	9	23%
Total	**39**	**100%**
Share of B or better (excluding Poland top 15%)	-	97%

7.4 Social Indicators

7.4.1 KEY CHARACTERISTICS OF CTP WORKERS

ESRS S1-6-50, S1-9-66, GRI 2-7, GRI 405-1, EPRA DIVERSITY-EMP

As CTP introduced new HR software in 2023, it has changed its approach to report the numbers for 2023 compared to 2022. Most importantly, in the Tables below the company reports its end of year numbers as the creation of an average is difficult due to implementation of the software throughout 2023. Similarly, in 2023, finalised the definition for "Senior Management" as:

- Executive Directors in the Board (CEO, Group CFO);
- Other Group Senior Management members (Group COO); and
- Country Managing Directors and CFOs of the 10 countries in which CTP operates.

CTP Staff

CTP EMPLOYEES BY HEADCOUNT

Country [1]	Male	Female
CZ	161	191
DE	36	17
HU	39	26
PL	39	45
RO	50	38
SK	45	26

1 Only countries with more than 50 employees by headcount, in line with the ESRS requirements.

CTP EMPLOYEES BY FTE

FTE snapshot on 31 December 2023					
Age group	**Female**	**Male**	**Other**	**Not disclosed**	**Total**
Employees					
Under 30	64.3	32.8	-	-	**97.1**
30-50	244.8	286.3	-	-	**531.1**
Over 50	30.0	74.3	-	-	**104.2**
Permanent employees					
Under 30	47.5	22.8	-	-	**70.3**
30-50	194.2	236.8	-	-	**431.0**
Over 50	26.0	59.3	-	-	**85.2**
Temporary employees					
Under 30	16.8	10.0	-	-	**26.8**
30-50	50.6	49.5	-	-	**100.1**
Over 50	4.0	15.0	-	-	**19.0**
Number of non-guaranteed hours employees (Headcount)					
Under 30	9.0	10.0	-	-	**19.0**
30-50	1.0	1.0	-	-	**2.0**
Over 50	5.0	3.0	-	-	**8.0**
Full-time employees					
Under 30	63.0	32.0	-	-	**95.0**
30-50	229.0	285.0	-	-	**514.0**
Over 50	27.0	74.0	-	-	**101.0**
Part-time employees					
Under 30	1.3	0.8	-	-	**2.1**
30-50	15.8	1.3	-	-	**17.1**
Over 50	3.0	0.3	-	-	**3.2**

CTP EMPLOYEES PER COUNTRY

FTE snapshot on 31 December 2023												
Age group	**AT**	**BG**	**CZ**	**DE**	**HU**	**NL**	**PL**	**RO**	**RS**	**SK**	**UK**	**Total**
Employees												
Under 30	1.0	2.0	45.6	1.5	6.0	2.0	15.0	13.0	2.0	9.0	-	97.1
30-50	8.0	12.0	225.6	30.3	54.8	3.0	68.0	63.0	23.0	43.5	-	531.1
Over 50	1.0	3.0	45.8	18.5	4.0	2.9	1.0	12.0	1.0	14.0	1.0	104.2
Permanent employees												
Under 30	1.0	2.0	28.8	1.5	5.0	2.0	15.0	8.0	1.0	6.0	-	70.3
30-50	8.0	12.0	184.0	30.3	44.8	3.0	62.0	44.0	15.0	28.0	-	431.0
Over 50	1.0	3.0	34.8	17.5	3.0	1.9	1.0	8.0	-	14.0	1.0	85.2
Temporary employees												
Under 30	-	-	16.8	-	1.0	-	-	5.0	1.0	3.0	-	26.8
30-50	-	-	41.6	-	10.0	-	6.0	19.0	8.0	15.5	-	100.1
Over 50	-	-	11.0	1.0	1.0	1.0	-	4.0	1.0	-	-	19.0
Non-guaranteed hours employees (Head-count)												
Under 30	-	-	15.0	-	-	-	-	-	-	4.0	-	19.0
30-50	-	-	2.0	-	-	-	-	-	-	-	-	2.0
Over 50	-	-	8.0	-	-	-	-	-	-	-	-	8.0
Full-time employees												
Under 30	1.0	2.0	44.0	1.0	6.0	2.0	15.0	13.0	2.0	9.0	-	95.0
30-50	8.0	12.0	213.0	28.0	53.0	3.0	68.0	62.0	23.0	43.0	-	513.0
Over 50	1.0	3.0	44.0	18.0	4.0	2.0	1.0	12.0	1.0	14.0	1.0	101.0
Part-time employees												
Under 30	-	-	1.6	0.5	-	-	-	-	-	-	-	2.1
30-50	-	-	12.6	2.3	1.8	-	-	1.0	-	0.5	-	18.1
Over 50	-	-	1.8	0.5	-	0.9	-	-	-	-	-	3.2

CTP SENIOR MANAGEMENT

	Absolute Numbers		Percentages	
Age category	**Male**	**Female**	**Male**	**Female**
Under 30	0	0	0%	0%
30-50	10	4	71%	29%
Over 50	2	1	67%	33%
Totals	**12**	**5**	**71%**	**29%**

7.4.2 NEW HIRES AND NEW HIRE RATE

ESRS S1-6-50, GRI 401-1

NEW HIRES AND NEW HIRE RATE

	2023				2022			
	Absolute numbers		Rate		Absolute numbers		Rate	
	External new hires	Internal new hires	External new hires	Internal new hires	External new hires	Internal new hires	External new hires	Internal new hires
Gender								
Male	159.0	20.8	41.5	5.4	135.5	28.0	42.5	0.1
Female	125.7	21.8	38.1	6.6	113.3	20.0	40.1	0.1
Age category								
Under 30	51.3	13.4	48.8	12.7	51.6	3.0	52.9	0.0
30-50	202.5	25.1	39.8	4.9	174.4	33.0	42.1	0.1
Over 50	32.8	4.0	33.5	4.1	22.8	12.0	25.3	0.1
Total	**284.6**	**42.5**	**40.0**	**6.0**	**248.8**	**48.0**	**41.3**	**0.1**

External hire rate formula: External hires/Average FTE*100
Internal Hire Rate formula: Internal hires/Average FTE*100
(Internal Hire Rate formula: Internal hires/Average FTE)

7.4.3 TURNOVER RATE

ESRS S1-6-50, GRI 401-1, EPRA Emp-Turnover

TURNOVER RATE

	2023			2022		
	Absolute numbers		Rate	Absolute numbers		Rate
	Dismissals	Voluntary leavers		Dismissals	Voluntary leavers	
Gender						
Male	15.0	115.0	34.0%	8.2	30.5	12.1%
Female	10.0	94.9	31.8%	39.3	31.0	24.9%
Age category						
Under 30	7.0	42.8	47.4%	0.0	20.8	21.4%
30-50	14.0	147.1	31.6%	27.0	38.1	15.7%
Over 50	4.0	20.0	24.5%	20.5	2.5	25.5%
Total	**25.0**	**209.9**	**33.0%**	**47.5**	**61.5**	**18.1%**

7.5 ESRS Index

ESRS 2 BP-2-16

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Disclosure	Paragraph	Page	Comments
ESRS 2 General disclosures			
1. Basis for preparation			
BP-1 General basis for the preparation of the sustainability statements	5	88	
BP-2 Disclosures in relation to specific circumstances	9	89	
	10	89	
	11	89	
	13	90	
	14	90	
	15	90	
	16	318	
2. Governance			
GOV-1 The role of the administrative, management and supervisory bodies	21	133, 136, 137, 155	
	22	141	
	23	95	
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	26	95	
GOV-3 Integration of sustainability-related performance in incentive schemes	29	142	
GOV-4 Statement on sustainability due diligence	32	119	
GOV-5 Risk management and internal controls over sustainability reporting	36	88, 168	
3. Strategy			
SBM-1 Market position, strategy, business model(s) and value chain	40	26, 94	
	41	26	
	42	22, 26	
SBM-2 Interests and views of stakeholders	45	26, 91	
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model(s)	48	92	
Disclosure	**Paragraph**	**Page**	**Comments**
4. Impact, risks and opportunity management			
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	53	92	
IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	56	92	
	57	-	N/A Climate change is material.
	58	-	N/A Climate change is material.
	59	92	
ESRS E1 Climate Change			
ESRS E1-GOV-3	13	142	
E1-1 Transition plan for climate change mitigation	16	-	N/A Plan to be created.
	17	97	
Impacts, risks, and opportunity management			
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	19	97	
ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	20	97	
	21	97	
E1-2 Policies related to climate change mitigation and adaptation	24	98	
	25	98	
E1-3 Actions plans and recourses in relation to climate change policies and targets	28	98	
	29	98	
	MDR-A	98	
Metric and targets			
E1-4 Targets related to climate change mitigation and adaptation	32	99	
	33	100	
	34	100	
	MDR-T	99	

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Disclosure	Paragraph	Page	Comments
E1-5 Energy consumption and mix	37	307	
	38	307	
	39	308	
	40	310	
	41	310	
	42	310	
	43	310	
	MDR-M	88, 101	
	MDR-P	98	
E1-6 Gross scopes 1, 2, 3 and total GHG emissions	46	-	N/A
	47	101	
	48	308	
	49	308	
	50	-	N/A: CTP reports consolidated data
	51	308	
	52	308	
	54	308	
	55	310	
	MDR-M	88, 101	
E1-7 GHG removals and GHG mitigation projects financed through carbon credits		-	N/A, mentioned on page 102
E1-8 Internal carbon pricing		-	N/A, mentioned on page 102
E1-9 Potential financial effects from material physical risks, material transition risks and climate-related opportunities.	66	102	
	67	102, 121	
	68	102	
	69	103	
	MDR-M	103	

Disclosure	Paragraph	Page	Comments
ESRS S1 Own workforce			
ESRS 2 SBM-2 – Interests and views of stakeholders	12	110	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	13	110	
	14	110	
	15	110	
	16	110	
S1-1 Policies related to own workforce	19	110	
	20	111	
	21	111	
	22	111	
	23	111	
	24	111	
	MDR-P	110	
S1-2 Processes for engaging with own workers and workers'	27	111	
	28	111	
	29	111	
S1-3 Processes to remediate negative impacts and channels for own worders to raise concerns	32	111	
	33	111	
	34	-	N/A CTP Discloses
S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	37	112	
	38	112	
	39	112	
	40	112	
	41	112	
	43	112	
	MDR-A	112	

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Disclosure	Paragraph	Page	Comments
Metrics and targets			
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	44	112	
	46	112	
	47	112	
	MDR-M	112	
S1-6 Characteristics of the undertaking's employees	48	113	
	50	313, 316, 317	
	MDR-M	113	
S1-7 Characteristics of non-employee workers in the undertaking's own workforce	55	115	
	57	-	N/A CTP Discloses
	MDR-M	115	
S1-8 Collective bargaining coverage and social dialogue	60	115	
	63	115	
	MDR-M	115	
S1-9 Diversity indicators	66	313	
	MDR-M	115	
S1-10 Adequate wages	69	115	
	70	-	N/A CTP Discloses
	MDR-M	115	
S1-11 Social protection	74	116	
	75	-	N/A All employees covered legally
	MDR-M	116	
S1-12 Persons with disabilities	79	116	
	MDR-M	116	
S1-13 Training and skills development indicators	83	116	
	MDR-M	116	
S1-14 Health and safety indicators	88	116	
	MDR-M	116	
S1-15 Work-life balance indicators	93	116	
	MDR-M	116	
S1-16 Compensation indicators (pay gap and total compensation)	97	116	
	MDR-M	116	
S1-17 Incidents, complaints, and severe human rights impacts and incidents	102	117	
	103	117	
	104	117	
	MDR-M	117	
ESRS S2 Workers in the value chain			
ESRS 2 SBM-2 Interests and views of stakeholders	9	122	
ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	10	122	
	11	122	
	12	122	
	13	122	
S2-1 Policies related to value chain workers	16	123	
	17	123	
	18	123	
	19	123	
	MDR-P	123	
S2-2 Processes of engaging with value chain workers about impacts	22	-	N/A To be developed.
	23	-	N/A To be developed.
	24	123	
S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	27	123	
	28	123	
	29	-	N/A

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Disclosure	Paragraph	Page	Comments
S2-4 Taking action on material impacts on value chain workers, approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and the effectiveness of those actions	31	123	
	32	123	
	33	123	
	34	123	
	35	123	
	36	123	
	38	123	
	MDR-A	123	
Metrics and targets			
S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	41	124	
	42	124	Targets to be developed
	MDR-T	124	
ESRS G1 Business Conduct			
Impacts, risks, and opportunity management			
ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies	5	120	
ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	6	120	
G1-1 Corporate culture and business conduct policies	9	120	
	10	120	
G1-2 Management of relationships with suppliers	14	121	
	15	121	
G1-3 Prevention and detection of corruption/bribery	18	121	
	19	-	N/A. Procedures are in place
	20	121	
	21	121	

Disclosure	Paragraph	Page	Comments
Metrics and targets			
G1-4 Confirmed incidents of corruption or bribery	24	121	
	26	121	
G1-5 Political influence and lobbying activities	29	121	
	30	121, 137	
G1-6 Payment practices	33	121	

7.6 GRI Index

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GRI Standard	Page	Comments/ Other references
General disclosures		
1. The organisation and its reporting practices		
2-1 Organisational details	181	
2-2 Entities included in the organisation's sustainability reporting	297-301	
2-3 Reporting period, frequency, and contact point		1-1-2023 until 31-12-2023 Annual esg@ctp.eu
2-4 Restatement of information	90	
2-5 External assurance	88, 95	
2. Activities and workers		
2-6 Activities, value chain, and other business relationships	94	
2-7 Employees	313	
2-8 Workers who are not employees	115	
3. Governance		
2-9 Governance structure and composition	133	
2-10 Nomination and selection of the highest governance body	137	
2-11 Chair of the highest governance body	137	
2-12 Role of the highest governance body in overseeing the management of impacts	95	
2-13 Delegation of responsibility for managing impacts	95	
2-14 Role of the highest governance body in sustainability reporting	95	
2-15 Conflicts of interest	137	
2-16 Communication of critical concerns	137	
2-17 Collective knowledge of the highest governance body	137	
2-18 Evaluation of the performance of the highest governance body	140	
2-19 Remuneration policies	143	
2-20 Process to determine remuneration	143	
2-21 Annual total compensation ratio	116	
4. Strategy, policies, and practices		
2-22 Statement on sustainable development strategy	15	
2-23 Policy commitments		CTP's governance policies can be found on its website, ctp.eu.
2-24 Embedding policy commitments	98, 110, 120, 123	
2-25 Processes to remediate negative impacts	22	
2-26 Mechanisms for seeking advice and raising concerns	111	
2-27 Compliance with laws and regulations	-	In 2023, there were no instances of non-compliance with law and regulations
2-28 Membership associations	-	No changes have taken place in Association membership
5. Stakeholder engagement		
2-29 Approach to stakeholder engagement	91	
2-30 Collective bargaining agreements	112	
Material topics		
3-1 Process to determine material topics	92	
3-2 List of material topics	92	
GRI material topic standards		
201: Economic performance 2016		
201-1 Direct economic value generated and distributed	26	
201-2 Financial implication and other risks and opportunities due to climate change	102	
202: Market presence 2016		
202-1 Ratios and standard entry level wage by gender compared to local minimum wage	26	

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GRI Standard	Page	Comments/ Other references
202-2 Proportion of senior management hired from local community	97, 102, 103	
203: Indirect economic impact 2016		
203-1 Infrastructure investments and services supported	106	
204: Procurement practices - 2016		
204-1 Proportion of spending on local providers	94	
205: Anti-corruption - 2016		
205-1 Operations assessed for risks related to corruption	121	
205-2 Communication and training about anticorruption policies and procedures	121	
205-3 Confirmed incidents of corruption and actions taken	121	
206: Anti-competitive behaviour - 2016		
206-1 Legal actions for anticompetitive behaviour, anti-trust, and monopoly practices	-	No legal actions were taken against CTP
207: Tax - 2019		
207-1 Approach to tax	124	
207-2 Tax governance, control, and risk management	124	
207-3 Stakeholder engagement and management of concerns related to tax	124	
207-4 Country-by-country reporting	124	
302: Energy - 2016		
3-3 Management of material topics	98, 99	
302-1 Energy consumption within the organisation	307	
302-2 Energy consumption outside of the organisation	308	
302-3 Energy intensity	310	
303: Water and effluents - 2018		
303-1 Interactions with water as a shared resource	103	
303-2 Management of water discharge-related impact	103	
303-3 Water withdrawal	310	
305: Emissions – 2016		
3-3 Management of material topics	98, 99	

GRI Standard	Page	Comments/ Other references
305-1 Direct (Scope 1) GHG emissions	100, 308	
305-2 Energy indirect (Scope 2) GHG emissions	100, 308	
305-3 Other indirect (Scope 3) GHG emissions	100, 308	
305-4 GHG emissions intensity	308	
306: Waste - 2020		
306-1 Waste generation and significant waste-related impacts	103	
306-2 Management of significant waste-related impacts	103	
306-3 Waste generated	31	
306-4 Waste diverted from disposal	312	
306-5 Waste directed to disposal	312	
308: Supplier environmental assessment – 2016		
308-1 New suppliers/providers that were screened using environmental criteria	94	
308-2 Negative environmental impacts in the supply chain and actions taken	94	
401: Employment - 2016		
3-3 Management of Material Topics	110, 112	
401-1 New employee hires and employee turnover	112, 312	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	Full-time and part-time employees receive the same benifits
401-3 Parental leave	116	
403: Occupational health and safety - 2018		
3-3 Management of material topics	110, 112	
403-1 Occupational health and safety system	110, 112	
403-2 Hazard Identification, risk assessment, and incident investigation	-	
403-3 Occupational health services	116	
403-4 Worker participation, consultation, and communication on occupational health and safety	-	
403-5 Worker training on occupational health and safety	-	
403-6 Promotion of worker health	116	

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GRI Standard	Page	Comments/ Other references
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	116	
403-8 Worker covered by an occupational health and safety management system	116	
403-9 Work-related injuries	116	
403-10 Work-related ill health	116	
404: Training and education - 2016		
404-1 Average hours of training per year per employee	112, 116	
404-2 Programs for upgrading employee skills and transition assistance programs	112, 116	
404-3 Percentage of employees receiving regular performance and career development reviews	116	
405: Diversity and equal opportunity 2016		
405-1 Diversity of governance bodies and employees	312	
405-2 Ratio of basic salary and remuneration of women to men	116	
406: Non-discrimination – 2016		
406-1 Incidents of discrimination and corrective actions taken		
412: Human rights assessment - 2016		
412-1 Operations that have been subject to human rights reviews or impact assessments	-	
412-2 Employee training on human rights policies or procedures	-	
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	94	
413: Local communities - 2016		
413-1 Operations with local community engagement, impact assessments, and development programs	105	
414: Supplier social assessment - 2016		
414-1 New suppliers that were screened using social criteria	94	

GRI Standard	Page	Comments/ Other references
414-2 Negative social impacts in the supply chain and actions taken	94	
415: Public policy - 2016		
415-1 Political contributions	118, 121	

7.7 EPRA sBPR

EPRA code	Indicator	GRI Standard Disclosure	Page
Environmental Sustainability Performance Measures			
Elec-Abs	Total electricity consumption	302-1	304
Elec-LfL	Like-for-like total electricity consumption	302-1	304
DH&C-Abs	Total district heating & cooling consumption	302-1	304
DH&C LfL	Like-for-like total district heating & cooling consumption	302-1	304
Fuel-Abs	Total fuel consumption	302-1	304
Fuel-LfL	Like-for-like total fuel consumption	302-1	304
Energy-Int	Building energy intensity	302-3	306
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	305-1	305
GHG Indir-Abs	Total indirect greenhouse gas (GHG) emissions	305-2	305
GHG-Int	Greenhouse gas emissions intensity from building energy consumption	305-4	306
Water-Abs	Total water consumption	303-1	310
Water-LfL	Like-for-like total water consumption	303-1	310
Water-Int	Building water intensity		307
Waste-Abs	Total weight of waste by disposal route	306-4, 306-5	312
Waste-LfL	Like-for-like total weight of waste by disposal route	306-4, 306-5	312
Cert-total	Type and number of sustainably certified assets		124

Social Performance Measures	Indicator	GRI Standard Disclosure	Reference
Diversity-Emp	Employee gender diversity	405-1	116, 313
Diversity-Pay	Gender pay ratio	405-2	116
Emp-Training	Training and development	404-1	116
Emp-Dev	Employee performance appraisals	404-3	116
Emp-Turnover	New hires and turnover	401-1	317
H&S-Emp	Employee health and safety	403-2	116
H&S-Asset	Asset health and safety measures	416-1	-
H&S-Comp	Asset health and safety compliance	416-2	116
Compty-Eng	Community engagement, impact assessments and development programs	413-1	105
Governance Performance Measures	**Indicator**	**GRI Standard Disclosure**	**Reference**
Gov-Board	Composition of the highest governance body	2-9	133
Gov-Select	Process for nominating and selecting the highest governance body	2-10	137
Gov-Col	Process for managing conflicts of interest	2-15	137

Overarching Recommendations	Reference (Chapter)
7.1 Organisational boundaries	88
7.2 Coverage	101, 306
7.3 Estimation of landlord-obtained utility consumption	89
7.4 Third Party Assurance	88
7.5 Boundaries – reporting on landlord and tenant utility consumption	101, 306
7.6 Normalisation	310
7.7 Segmental analysis (by property type, geography etc.)	88
7.8 Disclosure on own offices	303-308
7.9 Narrative on performance	101, 306
7.10 Location of EPRA Sustainability Performance Measures in companies' reports	All items have been tagged appropriatly
7.11 Reporting period	1-1-2023 to 31-12-2023
7.12 Materiality	92

7.8 EU Taxonomy

EU TAXONOMY ELIGIBILITY AND ALIGNMENT – PROPORTION OF TURNOVER

Financial year 2023			Year	Substantial contribution criteria						DSNH criteria (Do Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	Turnover (3)	Proportion of turnover 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) turnover, 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		kEUR	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7 / **CCA 7.7**	362,241	53.8%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	46.4%		
Turnover of environmentally sustainable activities (Taxonomy aligned) (A.1)		**362,241**	**53.8%**	**0%**	**53.8%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**46.4%**		
Of which enabling		-	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		-	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Construction of new buildings	CCM 7.1 / **CCA 7.1 /** CE 3.1	20,100	3.0%	EL	EL	N/EL	N/EL	EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7 / **CCA 7.7**	291,459	43.3%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities (A.2)		311,559	46.2%	0.0%	46.2%	0%	0%	0%	0%										
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		673,800	100.0%	0.0%	100.0%	0%	0%	0%	0%										
B. TAXONOMY-NON ELIGIBLE ACTIVITIES (B)																			
Turnover of Taxonomy non-eligible activities (B)		-	**0.0%**																
Total (A+B)		**673,800**	**100%**																

ELIGIBILITY AND ALIGNMENT – PROPORTION OF CAPEX

Financial year 2023	Year			Substantial contribution criteria						DSNH criteria (Do Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) CapEx, 2022 (18)	Category (enabling activity) (19)	Category (transitional activity (20)
		kEUR	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Construction of new buildings	CCM 7.1 / **CCA 7.1** / CE 3.1	599,980	47.1%	N	Y	N/EL	N/EL	N	N/EL	Y	Y	Y	Y	Y	Y	Y	3.6%		
Installation, maintenance, and repair of renewable energy technologies	CCM 7.6 / **CCA 7.6**	54,000	4.2%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.1%		
Acquisition and ownership of buildings	CCM 7.7 / **CCA 7.7**	-	0.0%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.2%		
CapEx of environmentally sustainable activities (Taxonomy aligned) (A.1)		**653,980**	**51.3%**	**0%**	**51.3%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**4.9%**		
Of which enabling		-	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		-	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Construction of new buildings	CCM 7.1 / **CCA 7.1** / CE 3.1	291,120	22.8%	EL	EL	N/EL	N/EL	EL	N/EL										
Renovation of existing buildings	CCM 7.2 / **CCA 7.2** / CE 3.2	147,400	11.6%	EL	EL	N/EL	N/EL	EL	N/EL										
Acquisition and ownership of buildings	CCM 7.7 / **CCA 7.7**	178,200	14.0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities (A.2)		616,720	48.4%	0.0%	48.4%	0.0%	0.0%	0.0%	0.0%										
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		**1,270,700**	**99.7%**	**0.0%**	**99.7%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**										
B. TAXONOMY-NON ELIGIBLE ACTIVITIES (B)																			
CapEx of Taxonomy non-eligible activities (B)		**4,400**	**0.3%**																
Total (A+B)		**1,275,100**	**100%**																

EU TAXONOMY ELIGIBILITY AND ALIGNMENT PROPORTION OF OPEX

Financial year 2023	Year			Substantial contribution criteria						DSNH criteria (Do Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx 2023 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or -eligible (A.2.) OpEx, 2022 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
		kEUR	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7 / **CCA 7.7**	18,893	20.7%	N	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13.7%		
OpEx of environmentally sustainable activities (Taxonomy aligned) (A.1)		**18,893**	**20.7%**	**0%**	**20.7%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**13.7%**		
Of which enabling		-	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		-	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Acquisition and ownership of buildings	CCM 7.7 / **CCA 7.7**	52,207	57.2%	EL	EL	N/EL	N/EL	N/EL	N/EL										
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities (A.2)		52,207	57.2%	0.0%	57.2%	0.0%	0.0%	0.0%	0.0%										
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		71,100	78.0%	0.0%	78.0%	0.0%	0.0%	0.0%	0.0%										
B. TAXONOMY-NON ELIGIBLE ACTIVITIES (B)																			
OpEx of Taxonomy non-eligible activities (B)		**20,100**	**22.0%**																
Total (A+B)		**91,200**	**100%**																

7.9 Property List

Rank	Country	Park	GLA ('000 sqm)	Type	Ownership
1	Romania	CTPark Bucharest West	833	Industrial	Owned
2	Czech Republic	CTPark Bor	642	Industrial	Owned
3	Romania	CTPark Bucharest	571	Industrial	Owned
4	Czech Republic	CTPark Brno	540	Industrial	Owned
5	Czech Republic	CTPark Ostrava	390	Industrial	Owned
6	Hungary	CTPark Budapest West	303	Industrial	Owned
7	Czech Republic	CTPark Plzeň	254	Industrial	AuM/Owned
8	Hungary	CTPark Budapest East	212	Industrial	Owned
9	Romania	CTPark Bucharest North	210	Industrial	Owned
10	Czech Republic	CTPark Modřice	205	Industrial/Office	Owned
11	Slovakia	CTPark Trnava	177	Industrial	Owned
12	Czech Republic	CTPark Brno Líšeň	175	Industrial	Owned
13	Czech Republic	CTPark Hranice	152	Industrial	Owned
14	Romania	CTPark Timisoara	144	Industrial	Owned
15	Slovakia	CTPark Námestovo	144	Industrial	Owned
16	Czech Republic	CTPark Prague North	135	Industrial	AuM/Owned
17	Czech Republic	CTPark Pohořelice	131	Industrial	Owned
18	Slovakia	CTPark Bratislava	130	Industrial	Owned
19	Netherlands	CTPark Amsterdam City	120	Industrial	Owned
20	Czech Republic	CTPark Žatec	120	Industrial	Owned
21	Germany	Wilhelmshaven West	110	Industrial	Owned
22	Serbia	CTPark Belgrade City	104	Industrial	Owned
23	Netherlands	CTPark Gorinchem	104	Industrial	Owned
24	Serbia	CTPark Belgrade North	101	Industrial	Owned
25	Poland	CTPark Iłowa	97	Industrial	Owned
26	Czech Republic	CTPark Teplice	96	Industrial	AuM
27	Czech Republic	Spielberg	92	Office/Hotel	Owned
28	Czech Republic	CTPark Prague East	90	Industrial	Owned
29	Hungary	CTPark Budapest Vecsés	88	Industrial	Owned
30	Czech Republic	Ponávka	85	Industrial/Office	Owned
31	Serbia	CTPark Kragujevac	85	Industrial	Owned
32	Czech Republic	CTPark Cerhovice	80	Industrial	Owned
33	Slovakia	CTPark Košice	80	Industrial	Owned
34	Poland	CTPark Opole	79	Industrial	Owned
35	Poland	CTPark Warsaw South	79	Industrial	Owned
36	Czech Republic	CTPark Kadaň	77	Industrial	Owned
37	Romania	CTPark Pitesti	76	Industrial	Owned
38	Hungary	CTPark Komárom	76	Industrial	Owned
39	Czech Republic	CTPark Nový Jičín	76	Industrial	Owned
40	Czech Republic	CTPark Humpolec	75	Industrial	Owned
41	Czech Republic	CTPark Mladá Boleslav	74	Industrial	Owned
42	Slovakia	CTPark Voderady	73	Industrial	Owned
43	Czech Republic	CTPark Ostrava Poruba	72	Industrial	Owned
44	Czech Republic	CTPark Blučina	72	Industrial	Owned
45	Serbia	CTPark Novi Sad	69	Industrial	Owned
46	Slovakia	CTPark Prešov South	67	Industrial	Owned
47	Czech Republic	Vlněna	66	Office	Owned
48	Bulgaria	CTPark Sofia	65	Industrial	Owned
49	Hungary	CTPark Budapest South	65	Industrial	Owned
50	Germany	Stuttgart Mahle	64	Industrial	Owned
51	Slovakia	CTPark Žilina Airport	63	Industrial	Owned
52	Serbia	CTPark Belgrade West	60	Industrial	Owned
53	Romania	CTPark Bucharest Chitila	60	Industrial	Owned
54	Slovakia	CTPark Žilina	59	Industrial	Owned
55	Czech Republic	CTPark Prague Airport	59	Industrial	Owned
56	Czech Republic	CTPark Ostrava Hrušov	58	Industrial	Owned
57	Romania	CTPark Brasov West	57	Industrial	Owned
58	Poland	CTPark Gdańsk Port	56	Industrial	Owned
59	Czech Republic	CTPark Aš	55	Industrial	Owned
60	Romania	CTPark Craiova East	54	Industrial	Owned
61	Czech Republic	CTPark Brno South	53	Industrial	Owned
62	Romania	CTPark Bucharest South II	53	Industrial	Owned
63	Romania	CTPark Timisoara West	52	Industrial	Owned
64	Hungary	CTPark Tatabánya	52	Industrial	Owned

PROPERTY LIST
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Rank	Country	Park	GLA ('000 sqm)	Type	Ownership
65	Austria	CTPark Vienna East	51	Industrial	Owned
66	Hungary	CTPark Arrabona	50	Industrial	Owned
67	Hungary	CTPark Budapest North	48	Industrial	Owned
68	Germany	Bad Waldsee	46	Industrial	Owned
69	Romania	CTPark Arad	46	Industrial	Owned
70	Czech Republic	CTPark Mladá Boleslav II	46	Industrial	Owned
71	Germany	Emden	44	Industrial	Owned
72	Romania	CTPark Oradea Cargo Terminal	44	Industrial	Owned
73	Germany	Freisen	44	Industrial	Owned
74	Bulgaria	CTPark Sofia East	43	Industrial	Owned
75	Germany	Euskirchen	43	Industrial	Owned
76	Romania	CTPark Sibiu East	43	Industrial	Owned
77	Czech Republic	CTPark Divišov	42	Industrial	Owned
78	Czech Republic	CTPark Hlubočky	42	Industrial	Owned
79	Czech Republic	CTPark Karviná	42	Industrial	Owned
80	Bulgaria	CTPark Sofia West	41	Industrial	Owned
81	Germany	Duren	41	Industrial	Owned
82	Germany	Munchen North	41	Industrial	Owned
83	Germany	Lohne	40	Industrial	Owned
84	Romania	CTPark Sibiu	39	Industrial	Owned
85	Germany	Bad Salzdetfurth	39	Industrial	Owned
86	Germany	Rostock	38	Industrial	Owned
87	Czech Republic	CTPark Přeštice	38	Industrial	Owned
88	Czech Republic	CTPark Pardubice	37	Industrial	Owned
89	Czech Republic	Europort Airport Center	36	Hotel	Owned
90	Germany	Neubrandenburg	35	Industrial	Owned
91	Slovakia	CTPark Nitra	35	Industrial	Owned
92	Germany	Wuppertal	34	Industrial	Owned
93	Czech Republic	CTPark Kvasiny	34	Industrial	Owned
94	Czech Republic	CTPark Cheb	34	Industrial	Owned
95	Romania	CTPark Bucharest Mogosoia	34	Industrial	Owned

Rank	Country	Park	GLA ('000 sqm)	Type	Ownership
96	Romania	CTPark Bucharest South	33	Industrial	Owned
97	Germany	Gevelsberg South	32	Industrial	Owned
98	Czech Republic	CTPark Planá	32	Industrial	Owned
99	Poland	CTPark Warsaw East	31	Industrial	Owned
100	Czech Republic	CTPark Jihlava	31	Industrial	Owned
101	Germany	Treuenbrietzen	30	Industrial	Owned
102	Germany	MunchenSouth	30	Industrial	Owned
103	Bulgaria	CTPark Sofia Airport	30	Industrial	Owned
104	Romania	CTPark Pitesti East	30	Industrial	Owned
105	Slovakia	CTPark Hlohovec	29	Industrial	Owned
106	Romania	CTPark Cluj	29	Industrial	Owned
107	Czech Republic	CTPark Blatnice	28	Industrial	Owned
108	Czech Republic	CTPark Česká Lípa	28	Industrial	Owned
109	Hungary	CTPark Szombathely East	26	Industrial	Owned
110	Romania	CTPark Deva II	26	Industrial	Owned
111	Hungary	CTPark Székesfehérvár	26	Industrial	Owned
112	Germany	Solingen	26	Industrial	Owned
113	Romania	CTPark Timisoara South	25	Industrial	Owned
114	Romania	CTPark Targu Mures	25	Industrial	Owned
115	Germany	Monchweiler	25	Industrial	Owned
116	Germany	Eisenach	25	Industrial	Owned
117	Austria	CTPark St. Poelten North	25	Industrial	Owned
118	Germany	Hannover West	25	Industrial	Owned
119	Germany	Drei Gleichen	24	Industrial	Owned
120	Germany	Remscheid Centre South	24	Industrial	Owned
121	Romania	CTPark Salonta	23	Industrial	Owned
122	Netherlands	CTPark Rotterdam	23	Industrial	Owned
123	Czech Republic	IQ Ostrava	23	Office	Owned
124	Germany	Gevelsberg East	23	Industrial	Owned
125	Romania	CTPark Turda	23	Industrial	Owned
126	Poland	CTPark Zabrze	22	Industrial	Owned

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Rank	Country	Park	GLA ('000 sqm)	Type	Ownership
127	Romania	CTPark Ineu	22	Industrial	Owned
128	Romania	CTPark Oradea North	22	Industrial	Owned
129	Germany	IngolstadtNorth	21	Industrial	Owned
130	Romania	CTPark Deva	21	Industrial	Owned
131	Czech Republic	CTPark Okříšky	21	Industrial	Owned
132	Germany	Wittingen	21	Industrial	Owned
133	Germany	Simmern/Hunsruck	21	Industrial	Owned
134	Poland	CTPark Sulechów	21	Industrial	Owned
135	Germany	Schwabisch Hall South	20	Industrial	Owned
136	Czech Republic	CTPark Prague West	20	Industrial	Owned
137	Hungary	CTPark Szombathely	20	Industrial	Owned
138	Germany	Regensburg	20	Industrial	Owned
139	Czech Republic	CTPark Chrastava	20	Industrial	Owned
140	Czech Republic	CTPark Lipník nad Bečvou	20	Industrial	Owned
141	Germany	Aalen West	19	Industrial	Owned
142	Germany	Schwerin South	19	Industrial	Owned
143	Czech Republic	CTPark Zákupy	19	Industrial	Owned
144	Czech Republic	CTPark Nošovice	19	Industrial	Owned
145	Germany	Zella-Mehlis Süd	19	Industrial	Owned
146	Germany	Hannover North	19	Industrial	Owned
147	Germany	Dortmund Centre-East	19	Industrial	Owned
148	Hungary	CTPark Mosonmagyaróvár	18	Industrial	Owned
149	Czech Republic	Hotel Plzeň	18	Hotel	Owned
150	Germany	Krefeld	18	Industrial	Owned
151	Germany	Hannover Centre-North	18	Industrial	Owned
152	Germany	Lichtenfels	16	Industrial	Owned
153	Germany	Remscheid North	16	Industrial	Owned
154	Germany	Duisburg West	16	Industrial	Owned
155	Germany	Lauda-Konigshofen	16	Industrial	Owned
156	Germany	Wesel	16	Industrial	Owned
157	Germany	Aalen East	16	Industrial	Owned
158	Czech Republic	CTPark Most	15	Industrial	Owned
159	Germany	Numbrecht	15	Industrial	Owned
160	Germany	Magdeburg West	15	Industrial	Owned
161	Germany	Berlin South	14	Industrial	Owned
162	Czech Republic	CTPark Hradec Králové	14	Industrial	Owned
163	Slovakia	CTPark Nové Mesto	14	Industrial	Owned
164	Hungary	CTPark Budapest Office Campus	13	Industrial	Owned
165	Germany	Kloster Lehnin	13	Industrial	Owned
166	Germany	Dusseldorf West	13	Industrial	Owned
167	Germany	Reutlingen North	13	Industrial	Owned
168	Germany	Bad Oeynhausen	13	Industrial	Owned
169	Germany	Bocholt	13	Industrial	Owned
170	Czech Republic	CTPark Chomutov	13	Industrial	Owned
171	Germany	Wolfsburg East	13	Industrial	Owned
172	Germany	Bielefeld South	12	Industrial	Owned
173	Germany	Magdeburg East	12	Industrial	Owned
174	Germany	Sonneberg	12	Industrial	Owned
175	Romania	CTPark Arad North	12	Industrial	Owned
176	Germany	Remscheid Centre West	12	Industrial	Owned
177	Czech Republic	CTPark Louny	12	Industrial	Owned
178	Germany	Zella-Mehlis-II	12	Industrial	Owned
179	Bulgaria	CTPark Plovdiv Airport	12	Industrial	Owned
180	Hungary	CTPark Kecskemét	12	Industrial	Owned
181	Germany	Bremen West	11	Industrial	Owned
182	Germany	Neustadt-Glewe	11	Industrial	Owned
183	Slovakia	CTPark Krásno nad Kysucou	11	Industrial	Owned
184	Germany	Siegen South	11	Industrial	Owned
185	Germany	Magdeburg North	10	Industrial	Owned
186	Germany	Kaiserslautern North	10	Industrial	Owned
187	Germany	Nurtingen South	10	Industrial	Owned
188	Czech Republic	CTPark Kutná Hora	10	Industrial	Owned
189	Germany	Wittenberg	10	Industrial	Owned
190	Germany	Aalen South	10	Industrial	Owned

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Rank	Country	Park	GLA ('000 sqm)	Type	Ownership
191	Czech Republic	CTPark Ústí nad Labem	10	Industrial	Owned
192	Germany	Linthe	10	Industrial	Owned
193	Germany	Bremen North	10	Industrial	Owned
194	Bulgaria	CTPark Plovdiv North	10	Industrial	Owned
195	Germany	Bonn North	9	Industrial	Owned
196	Hungary	CTPark Budapest Ecser	9	Industrial	Owned
197	Germany	Wismar	9	Industrial	Owned
198	Poland	CTPark Katowice	9	Industrial	Owned
199	Bulgaria	CTPark Sofia Ring Road	9	Industrial	Owned
200	Romania	CTPark Caransebes	9	Industrial	Owned
201	Czech Republic	CTPark Liberec	8	Industrial	Owned
202	Poland	CTPark Warsaw West	8	Industrial	Owned
203	Germany	Berlin East	8	Industrial	Owned
204	Germany	Schleiz	8	Industrial	Owned
205	Germany	Gera East	7	Industrial	Owned
206	Germany	Gustrow	7	Industrial	Owned
207	Germany	Bremen North-West	7	Industrial	Owned
208	Germany	Rosenheim	7	Industrial	Owned
209	Germany	Goslar East	7	Industrial	Owned
210	Germany	Bochum South	7	Industrial	Owned
211	Germany	Dortmund East	7	Industrial	Owned
212	Germany	Eschenbachinder Oberpfalz	7	Industrial	Owned
213	Romania	CTPark Arad West	6	Industrial	Owned
214	Germany	Wilhelmshaven	6	Industrial	Owned
215	Germany	Meschede	6	Industrial	Owned
216	Serbia	CTPark Novi Sad East	6	Industrial	Owned
217	Czech Republic	CTPark Kolín	6	Industrial	Owned
218	Czech Republic	CTPark Lysá nad Labem	5	Industrial	Owned
219	Germany	Wiesmoor	4	Industrial	Owned
220	Germany	Bielefeld East	4	Industrial	Owned

Rank	Country	Park	GLA ('000 sqm)	Type	Ownership
221	Germany	Dortmund West	4	Industrial	Owned
222	Germany	Bochum West	3	Industrial	Owned
223	Czech Republic	CTPark České Velenice	3	Industrial	Owned
224	Germany	UlmEast	3	Industrial	Owned
225	Germany	Wurzburg South	3	Industrial	Owned
226	Germany	Duisburg North-West	3	Industrial	Owned
227	Czech Republic	CTPark Žatec II	3	Industrial	Owned
228	Germany	Duisburg North-East	3	Industrial	Owned
229	Germany	Munster	3	Industrial	Owned
230	Poland	CTPark Warsaw North	3	Industrial	Owned
231	Germany	Schwerin North	3	Industrial	Owned
232	Germany	Hattingen	3	Industrial	Owned
233	Germany	Müllrose	3	Industrial	Owned
234	Germany	Bremen	2	Industrial	Owned
235	Germany	Hannover North-West	2	Industrial	Owned
236	Germany	Erfurt-Nord	2	Industrial	Owned
237	Germany	Kulmbach	2	Industrial	Owned
238	Germany	Halberstadt	2	Industrial	Owned
239	Germany	Fehrbellin	1	Industrial	Owned
240	Germany	Weimar	1	Industrial	Owned
241	Germany	Untermaßfeld	1	Industrial	Owned
242	Germany	Karith	1	Industrial	Owned
Total			**12,190**		
Owned			**11,790**		
Third party AUM			**400**		

7.10 Glossary

Adjusted EBITDA
EBITDA adjusted for items that are not indicative of the Group's ongoing operating performance, such as net valuation result on investment property, other financial expenses, other financial gains and losses, and profit (loss) on disposal of investment properties.

Administrative and operating costs
Employee benefits and other expenses.

AFM
The Dutch Authority for the Financial Markets (in Dutch: *Autoriteit Financiële Markten*).

AMX Index
A stock market index composed of Dutch mid-cap companies that trade on Euronext Amsterdam.

Annual General Meeting or AGM
The meeting at which CTP's shareholders and all other persons with meeting rights assemble annually, no later than 30 June of each year.

Annualised rental income
Rent roll as per the end of period of the standing portfolio, including other rental income and minus rent-free period.

Articles
Articles of association of CTP N.V.

Audit Committee
The audit committee of the Company.

Average cost of debt
The total of bank interest expense, the interest expense from financial derivatives, and the interest expense from bonds issued for the reporting period divided by the average total balance of interest-bearing loans and borrowings from financial institutions and bonds issued for that same period.

Board
The board of directors of the Company.

Board Rules
The rules governing the internal proceedings of the Board.

BREEAM
The Building Research Establishment Environmental Assessment Method—a leading validation and certification system for sustainable built environments owned by the UK-based Building Research Establishment (BRE).

CAGR
Compound annual growth rate.

CEE
Central and Eastern Europe.

CITA
The Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Code
The Dutch Corporate Governance Code (20 December 2022).

Code of Conduct
The code of conduct of the Company.

Collection rate
Last 12 months' billings including rent, service charges and other rental income, net of bad debt written off in the period.

Company specific adjusted EPRA earnings
EPRA earnings adjusted for the after-tax effect from the adjustment for rental income for impairment/depreciation on property, plant and equipment, and foreign exchange gains/losses related to company restructuring and non-recurring financing costs and non-recurring items unrelated to the Group's operational performance.

Company specific adjusted EPRA EPS
Company specific adjusted EPRA earnings based on the average number of shares outstanding during the reporting period.

Core Markets
CTP's core CEE markets in the Czech Republic, Hungary, Romania, and Slovakia.

CPI
Consumer Price Index

CSA
The S&P Global Corporate Sustainability Assessment.

CTP, the Company, or the Group
CTP N.V.

CTP staff
All CTP employees, including executives and external staff (contractors).

C&W
Cushman & Wakefield

DCC
The Dutch Civil Code (in Dutch: *Burgerlijk Wetboek*)

Decree on the Disclosure of Holdings in Issuing Institutions
Dutch decree on the notifcation of control and capital interest in issuing institutions (in Dutch: *Besluit melding zeggenschap en kapitaalbelang in uitgevende instellingen Wft*) under the Dutch Financial Supervision Act (in Dutch: *Wet op het financieel toezicht ("Wft")*).

Decree on the Management Report
Dutch decree on the content of the management report (in Dutch: *Besluit inhoud bestuursverslag*).

Decree on the Directive on Takeover Bids
Dutch decree implementing Section 10 of the Directive on takeover bids (in Dutch: *Besluit artikel 10 overnamerichtlijn*).

DIP
Deferred incentive plan—a discretionary plan that may operate with one or more incentive plans operated by CTP and providing a mechanism for the deferral of part of a participant's incentive to a deferred award of cash and/or a deferred amount of shares.

DIP award
A deferred award of cash and/or a deferred award of shares in the Company.

DIR or DIG
Deutsche Industrie REIT AG.

Director
An Executive Director or a Non-Executive Director.

EBITDA
Earnings before interest, taxes, depreciation, and amortisation.

EEA
The European Economic Area.

EGM
Extraordinary General Meeting—a meeting at which the Shareholders in the Company and all other persons with meeting rights assemble for a specific agenda item.

EMTN Programme
Euro Medium Term Note Programme.

EPRA
The European Public Real Estate Association.

EPRA BPR
EPRA best practice reporting.

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

EPRA Earnings per Share
EPRA Earnings based on the weighted average number of shares in the period.

EPRA Net Initial Yield
Annualised rental income based on the cash passing rent at the balance sheet date less non-recoverable property operating expenses divided by the market value of income-generating investment property.

EPRA NDV
The EPRA Net Disposal Value, which reflects the full extent of liabilities and resulting shareholder value if a company's assets are sold and/or if liabilities are not held until maturity.

EPRA NTA
EPRA Net Tangible Assets, which reflect the fair value of a company's properties and other investments and excludes items that are not expected to crystallise when the company buys or sells assets.

EPRA NRV
The EPRA Net Reinstatement Value reflects what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including related costs such as real estate transfer taxes.

EPRA "topped-up" Net Initial Yield
Annualised rental income based on the cash passing rent at the balance sheet date less non-recoverable property operating expenses, adjusted for notional rent expiration for rent-free periods and other lease incentives, divided by the market value of income-generating investment property.

ERM
Enterprise Risk Management—an integrated risk-based system of functions, processes and methodologies to identify and address methodically the potential events that represent risks to the achievement of strategic objectives or to opportunities to gain competitive advantage.

ERP
Enterprise Resource Planning—business process management software that manages and integrates a company's financials, supply-chain, operations, commerce, reporting, manufacturing, and human resource activities.

ERV
Estimated rental value.

ESG
Environmental, Social, and Corporate Governance—an evaluation of a firm's collective conscientiousness for social and environmental factors.

ESMA
European Securities and Market Authority.

EU
European Union.

EU taxonomy
A classification system established as part of the European Green Deal initiative to define economic activities considered environmentally sustainable.

EUR / euro / €
The lawful currency of the European Economic and Monetary Union.

Executive Director
A director of the Company appointed as executive director.

Growth Markets
Poland, Serbia, Bulgaria—the markets in CEE that CTP has targeted for further growth over the medium term.

Financial Statements
Audited consolidated financial statements of the Company for the period from 1 January 2023 to 31 December 2023, which comprise the consolidated statements of financial position as of 31 December 2023 and 2022 and the related consolidated statements of profit and loss and comprehensive income, changes in equity, and cash flows for the period 1 January 2023 to 31 December 2023 and the year ended 31 December 2022, and the related notes to the consolidated financial statements. These financial statements are a reproduction of the statutory financial statements of the Company and have been provided with an audit opinion by the external auditor.

FMSA
The Dutch Financial Markets Supervision Act (in Dutch: *Wet op het financieel toezicht*).

Founder
Mr. Remon Vos

FTEs
Full-time equivalent personnel.

GAV
The gross asset value calculated as the aggregate of investment property, investment property under development and property, plant and equipment as presented in the Financial Statements in accordance with IFRS.

GDP
Gross domestic product.

General Meeting
The corporate body that consists of shareholders and all other persons with voting rights, or the meeting in which the shareholders and all other persons with meeting rights assemble.

GHG
Greenhouse gasses—gasses that contribute to the greenhouse effect, as defined by the Greenhouse Gas Protocol [https://ghgprotocol.org].

GLA
Gross leasable area.

Green Asset Pool
The selected pool of new and existing assets that promote the transition to low-carbon and climate resilient growth and which meet the criteria of the Green Bond Framework.

Green Bond Framework
The Group's framework developed according to the Green Bond Principles 2018, administrated by the International Capital Market Association.

GRI
The Global Reporting Initiative—a framework for the transparent disclosure of non-financial data [https://www.globalreporting.org].

Gross rental income / GRI
Gross rental income for the relevant period

Group, Group Companies
The Company and all entities included in the group (in Dutch *groep*, within the meaning of Article 2:24 b of the Dutch Civil Code).

I&L
The industrial & logistics sector.

IAS
International Accounting Standards.

Interest Cover Ratio or ICR
The ratio of the Group's total interest expense to Adjusted EBITDA

IFRS
The International Financial Reporting Standards as adopted by the European Union.

Indebtedness
Interest-bearing loans and borrowings from financial institutions.

ISIN
International securities identification number.

KPI
Key performance indicator.

KPMG
KPMG Accountants N.V.

Leasing activity
Sum of new contracts or amendments for either newly leased area or prolonged leases in a given period.

LEI
Legal Entity Identifier.

Like-for-like rental growth
Like-for-like gross rental growth compares the growth of the gross rental income of the portfolio that has been consistently in operation (not under development) during the two preceding 12-month periods that are described.

LTIP
CTP's long-term incentive plan for Executive Directors.

Market Abuse Regulation
Regulation (EU) No 596/2014 on market abuse, as amended.

Multivest
Multivest B.V., the parent company of the Group.

MWp
Megawatt peak—a unit of measurement indicating the peak power output capacity of renewable energy power plants such as solar or wind, where output may vary due to strength of sunlight or wind speed.

Net Debt
The aggregate amount of interest-bearing loans and borrowings from financial institutions plus bonds issued after the deduction of cash and cash equivalents.

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

Next 12 months' revenue
Revenue from all contracts in place as at the end of the period including rent, other rental income, service charge income and development income from building/tenant improvements minus rent-free periods.

NOI
Net operating income.

Nomination and Remuneration Committee
The nomination and remuneration committee of the Company.

Non-Executive Directors
The Company's non-executive directors.

Occupancy rate
Proportion of the aggregate GLA of the properties that are under a lease agreement at that point in time. For the avoidance of doubt, the aggregate GLA includes areas designated as structurally vacant. Any development to create new leasable area at any property shall only be included when the relevant space or development is complete and available to generate income.

Operating profit (excl. valuation results)
Profit for the period less net valuation result on investment property.

PV
Photovoltaic.

RCF
Revolving credit facility.

Red Book
The Royal Institute of Chartered Surveyors Valuation (incorporating the International Valuation Standards) – January 2020.

Related Party Transactions Policy
The related-party transactions policy of the Group.

Remuneration Policy
The remuneration policy for CTP adopted by the AGM on 25 March 2021 applying to the Executive Directors and the Non-Executive Directors.

Retention rate
The part of total rental income that expires in one year and is prolonged with existing clients, as part of the total rental income of leases that expire in the same year.

Senior Independent Director
The Non-Executive Director with the title Senior Independent Director, in accordance with the Board Rules.

Senior Management
The employees of CTP in a managerial position as defined in Article 2:166 of the Dutch Civil Code.

Shareholder(s)
A holder of shares in CTP B.V.

Sustainability Committee
The sustainability committee of the Company

TCFD
Task Force on Climate related Financial Disclosures—a non-public initiative that developed disclosure guidance for the impact of climate change on the financial performance of companies [www.fsb-tcfd.org].

TSR
Total shareholder return.

UNHCR
United Nations High Commissioner for Refugees.

WAULT
Weighted average unexpired lease term.

Western European markets
Austria, Netherlands, Germany—CTP's expansion markets in Western Europe.

Yield on Cost (YoC)
The expected rental value divided by development cost, including land and agency fees, excluding financing, rent-free periods and internal project management costs.

7.10 Disclaimer

Forward-looking statements and other information
To the extent that this document contains forward-looking statements, such statements do not represent facts and are identified generally by the words such as “aims”, “anticipates”, “assumes”, “believes”, “estimates”, “expects”, “intends”, “should”, “will”, “will likely result”, “forecasts”, “outlook”, “projects”, “may” or similar expressions. The forward-looking statements contained herein speak only as of the date they are made and CTP does not assume any obligation to update such statements, except as required by law. Forward-looking statements express the intentions, opinions or current expectations and assumptions of CTP and the persons acting in conjunction with CTP, for example with regard to the Outlook section of the “CEO and CFO letter”, or the “Growth plan and 20 Million sqm GLA Target” and “Outlook for 2024” sections in Chapter 2. Such forward-looking statements are based on current plans, estimates and forecasts which CTP and the persons acting in conjunction with CTP have made to the best of their knowledge, but which may not be correct in the future. Forward-looking statements are subject to risks and uncertainties because they relate to future events that are difficult to predict and usually cannot be influenced by CTP or the persons acting in conjunction with CTP. Please see in this respect chapter Risk Management. It should be kept in mind that the actual events or consequences may differ materially from those contained in or expressed by such forward-looking statements.

Third-party market share data
Statements regarding market share, market data, industry statistics and industry forecasts, contained in this document are based on publicly available sources such as research institutes and analyst coverage in combination with CTP’s own management estimates.

Use of non-IFRS information
In presenting and discussing CTP’s financial position, operating results and cash flows, management uses certain non-IFRS financial measures. These non-IFRS financial measures should not be viewed in isolation as alternatives to the equivalent IFRS measure and should be used in conjunction with the most directly comparable IFRS measures. Non-IFRS financial measures do not have standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers.

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