

4 MILLION SQM AND 27% MARKET SHARE IN THE CZECH REPUBLIC - CTP CONTINUES TO DOMINATE CZECH LOGISTICS PROPERTY DEVELOPMENT

Prague, 3. April 2024 - CTP, Europe's largest listed developer, owner, and manager of industrial and logistics properties by gross lettable area (GLA), has reached another milestone in 2023, increasing its total lettable area in Czech Republic to over 4 million sqm. With a 27% share of the Czech market, it remains the largest player in the industrial real estate sector. Occupancy across CTParks remains high at 97%, confirming the continued demand in the Czech Republic for modern and energy efficient space of the highest standard. CTP's client base has expanded to over 600 companies across industries. With net rental income of €247 million in 2023, CTP is optimistic for the year ahead and believes the Czech Republic remains a lucrative location for European business, which underpins the 400,000 sqm of new space it is currently building.

In 2023, demand continued to change - while it remained steady in e-commerce, it grew from companies in the manufacturing and technology sectors. This trend was driven by supply chain disruption and turbulent global developments. In the wake of this, nearshoring, where firms seek to get closer to their customers and suppliers and minimise the risk of supply disruption, has been gaining momentum. The Czech Republic offers an excellent location for serving the European market.

"We are seeing changes in demand; logistics and e-commerce may not be growing as they have in the past, but they still have their place and potential for growth. The world is changing very fast and even today companies across industries must think about the availability of their resources and goods, for example, due to the disruption of shipping lanes in the Red Sea. We are building over 400,000 sqm of new space in the Czech Republic, demonstrating our confidence in this region, which offers a favourable geographic location, an educated workforce and a well-developed network of services and infrastructure," explained **Jakub Kodr, Managing Director and Head of Business Development of CTP in the Czech Republic.**

CTP places great emphasis on long-term relationships with its tenants, whose number in the Czech Republic exceeds 600 companies. That is why two-thirds of new contracts are signed with existing clients who are growing together with CTP. The tenants come from a variety of industries and sizes. The developer is always able to offer them the

space that the client needs, thanks to a range of different building types that can be customised and a broad portfolio across regions and Europe.

CTP currently owns 7.6 million sqm of strategic land for further development in the Czech Republic. The developer's success is due to its long-term relationships with tenants, the company's robust capital structure, disciplined financial policy and CTP's long-standing experience in construction.

Top transactions of 2023

CTP leased about 350,000 sqm of new space to new clients over the past year, with notable deals including approximately 53,000 sqm in CTPark Blučina, which will soon be occupied by Inventec (Czech), a manufacturer and developer of electronics and IT solutions. Vitesco Technologies, a manufacturer of advanced drives and electrification solutions for the automotive industry, has leased 40,000 sqm in CTPark Ostrava Hrušov. CTPark Bor welcomes a company which provides complex automated systems for omnichannel and parcel distribution in premises totalling almost 33,000 sqm in two buildings. A further 31,000 sqm found its tenants in the automotive sector (21,000 sqm) and a toy warehouse (9,500 sqm) in CTPark Cerhovice. Pharmaceutical company ViaPharma, one of the main suppliers of pharmaceuticals to Dr. Max pharmacies, leased space in two locations with a total area of 27,000 sqm in CTPark Brno Líšeň and CTPark Ostrava Poruba. Logistics companies have also chosen CTP for their facilities. FIEGE has leased 18,000 sqm in CTPark Žatec and Geis will soon enrich CTPark Ostrava Poruba, where it will have almost 20,000 sqm. The largest CTPark in Brno has also attracted new tenants from among transport and logistics companies, namely MOL Logistic with 9,000 sqm and Lagermax Logistics Czech with more than 8,000 sqm. The first tenants were also attracted by the new buildings in the most sustainable CTPark Prague North, including 6,000 sqm leased by MEMODO, a wholesale company with photovoltaics and heat pumps.

At the same time, CTP managed to extend several existing lease agreements with clients last year. The largest transaction of this type was the extension of almost 54,000 sqm in CTPark Bor for an IT distributor. In CTPark Modřice, Kollmorgen, a manufacturing company with its own research and development, extended its lease for 10,000 sqm.

Modern offices

CTP also continued its successful office projects in 2023. Currently, CTP is the largest office owner in the Brno metropolitan area, where it continues to build additional modern

office space. Last year, CTP was behind one of the largest Czech transactions in the office sector when it welcomed Kyndryl, a multinational provider of information technology solutions and services, which leased 5,000 sqm in the Vlněna complex. CTP also welcomed Smaragd Gas and Sanexoo Europe, a company specialising in robotics in manufacturing plants, which leased a total of almost 1,000 sqm. The satisfaction of clients in CTP's offices is evidenced by the renegotiations, with Konica Minolta extending its lease to almost 4,000 sqm and Solarwinds extending its lease to over 4,000 sqm.

The developer is expanding this segment to other Czech cities based on its extensive experience. In addition to office modernisation and new tenants, last year the developer welcomed another coworking centre Clubco (1,512 sqm plus 625 sqm of terraces) in the Ostrava office building IQ Ostrava. This is the third Clubco coworking centre in the Czech Republic, after their second location opened in the middle of last year in Nupaki near Prague, where it offers 550 sqm of flexible office space.

Jakub Kodr adds, "Although it may seem that our main focus is industrial and logistics buildings, we have long understood that clients need flexibility and multifunctionality. Our portfolio therefore offers clients first-class space for production, development, testing, warehousing, and e-commerce, but companies often need to house their teams in modern office space. Our aim is to support our clients in their growth as much as possible with a wide range of buildings and locations."

Energy as a pillar of development

Energy is an important pillar of CTP's business strategy. In this area, the developer has more than 13 years of experience in installing, connecting to the grid, as well as maintaining and operating photovoltaic power plants on the roofs of its parks. Last year, CTP received EUR 200 million in funding from the European Investment Bank (EIB) to implement a large-scale programme to install photovoltaic panels in European CTParks. The developer has completed the installation of a further 8 MWp in the Czech Republic at the turn of 2022/2023, bringing the cumulative capacity to 14 MWp. By the end of 2023, it has built a further 30 MWp. Last year, it also entered a partnership with CEZ ESCO, with which it plans to build dozens of megawatts of capacity. The first joint installation of 2 MW was carried out in CTPark Prague East on the roof of the warehouse where Raben is based. The installation of all solar-ready roofs in CTP's Czech portfolio is part of a long-term strategy to create sustainable parks with solutions that will ensure their energy self-sufficiency in the near future.

"We are constantly looking for and pursuing new, more economical and efficient working practices and solutions that contribute to higher quality and lower energy consumption in our buildings. We do this in line with our long-term vision to be an inspiring trend-setting leader and set the highest quality benchmarks in industrial development, while at the same time delivering on our commitment to our investors," adds **Jakub Kodr**.

In addition, CTP builds parks as sustainably as possible, with an emphasis on integrating them into the local community. Last year, the developer was awarded a top ESG rating for this approach, ranking among the top 2% of companies in the world by leading rating agency Morningstar Sustainalytics. CTP understands the vital importance of communities in building long-lasting business ecosystems. Last year, the developer opened the Clubhaus community centre in Ostrava, the second of its kind in the Czech Republic. It is a unique concept of spaces that adapt to the specific needs of tenants and park workers - it can be used for private events, corporate events, workshops, sports days and much more.

ABOUT CTP

CTP is the largest listed owner, developer and manager of logistics and industrial real estate in terms of gross leasable area, with 11.8 million sqm. GLA in 10 countries (as of 31 December 2023). The company certifies all new buildings under BREEAM at 'very good' or above and has achieved a negligible-risk ESG rating from Sustainalytics, reaffirming its commitment to sustainability.

For more information, please visit: www.ctp.eu.

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