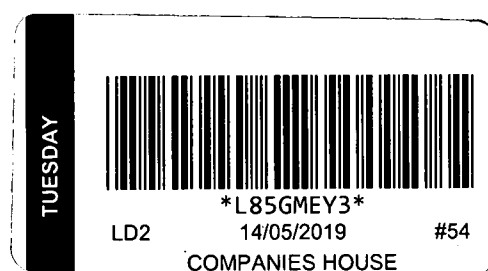


Company Registration No:

08326708

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

LOGICOR EUROPE LTD



Logicor Europe LTD

CONTENTS OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS	Page
Company Information	2
Strategic Report	3
Directors' Report	5
Directors' Responsibilities Statement	7
Independent Auditor's Report	8
Income Statement	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14

Logicor Europe LTD

COMPANY INFORMATION

Directors	Mohammad Barzegar Simon Clinton Sheena Singla
Secretary	Intertrust (UK) Limited
Registered Office	36 Carnaby Street London England W1F 7DR
Company Number	08326708
Auditor	Deloitte LLP Statutory Auditor 1 New Street Square London United Kingdom EC4A 3HQ

Logicor Europe LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Principal activities

The principal activities of Logicor Europe LTD (the “Company”) are to provide consultancy services to logistics property companies throughout Europe as well as asset management services to logistics property companies in the United Kingdom. These companies include affiliated property companies in the Logicor Group, a wider group of Eurocor II S.à r.l., Eurocor III S.à r.l. and their subsidiaries, of which the Company is a member.

Review of the business

The loss for the year, after taxation, amounted to £5,051,622 (2017: loss of £42,666,185). The operating loss before interest and taxation amounted to £2,982,866 (2017: operating loss before interest and taxation of £42,545,021).

Asset management fees are billed to property companies based on 5% of the net operating income of the property company receiving the services. Consultancy fees were charged by the Company based on a 5% mark up on its head office costs directly to its subsidiaries and to other asset management companies in the Logicor Group.

The acquisition of the Logicor Group by China Investment Corporation (“CIC”) was completed on 29 November 2017. This resulted in £31,442,383 of expenditure being incurred in preparation for the sale and £13,843,264 in bonuses in the year ended 31 December 2017. The losses generated in 2016 and 2017 were the result of expenditure on the sale process and 2018 reflects a return to normal trading. The Company remained loss making in the year ended 31 December 2018 as a result of finance costs and continued investment in the business post sale of the Logicor Group to CIC.

Key performance indicators

	2018	2017	
Growth in revenue	22%	22%	Year on year revenue growth expressed as a percentage. Growth remained constant in 2018 due to an increase in the Consultancy fee charge to subsidiaries and affiliated companies.
EBITDA (%)	(12%)	(301%)	Ratio of earnings before interest, tax and depreciation to revenue expressed as a percentage. EBITDA improved as costs incurred in preparation of the Logicor Group for the sale impacted periods prior to 31 December 2017 only.

Principal risks and uncertainties and financial risk management

The Company operates its asset management across the United Kingdom. The Company is at risk of losing its customers in this jurisdiction due to the sale or other disposition of the property by its owner or other action which results in the termination of an asset management contract which could result in a loss of revenue without a like reduction in expenses.

Management has also considered the impact of the United Kingdom’s withdrawal from the European Union on the Company. The majority of revenue is derived from consultancy fees to European asset management companies and is not expected to change as a result of this process. Asset management income is forecast to remain consistent with the current year.

Logicor Europe LTD

STRATEGIC REPORT (continued)

Principal risks and uncertainties and financial risk management (Continued)

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Credit risk

The Company's principal financial assets are bank balances and cash, trade and other receivables, and investments in subsidiaries.

The Credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Company has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses long-term debt finance from its parent company.

Future developments

The Company services logistics and industrial property owners across most major European logistics markets and does not expect to materially expand the current number of locations in 2019.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Logicor Europe Holdings S.à.r.l. (the "Parent") provided a letter confirming their intention to waive intercompany loans provided within 12 months and any other amounts owed by the borrower if it does not have ability to pay such loans after structural costs have been paid. Accordingly, they adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 4: Accounting Policies.

Approved by the Board and signed on its behalf by:



Simon Clinton
Director
10 May 2019

36 Carnaby Street
London
England
W1F 7DR

Logicor Europe LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Directors present the annual report and the audited financial statements for the year ended 31 December 2018.

The "Principal activities", "Review of the business", "Key Performance Indicators", "Principal Risks and Uncertainties", "Future Developments" and "Going Concern" sections are covered in the Strategic Report.

Results and Distributions

The results for the year are shown on page 11. No dividends have been paid, declared or proposed in the current or in the prior year. The Directors do not recommend a final dividend.

Directors and Directors' Interests

The following Directors held office during and after the year end unless otherwise stated:

Mohammad Barzegar	Appointed 03 June 2013
Michael Slattery	Appointed 31 July 2015, Resigned 17 May 2018
Panayot Vasilev	Appointed 1 March 2016, Resigned 17 May 2018
Simon Carter	Appointed 13 February 2017, Resigned 17 May 2018
Simon Clinton	Appointed 17 May 2018
Sheena Singla	Appointed 17 May 2018

None of the Directors hold a beneficial interest in the ordinary share capital of the Company.

Directors' Indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which remain in force at the date of this report.

Disclosure of information to Auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, having taken all the steps the Directors ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Logicor Europe LTD

DIRECTORS' REPORT (continued)

Auditor

During the year, Deloitte LLP were reappointed as auditor of the Company for the year ended 31 December 2018.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Approved by the Board and signed on its behalf by:



Simon Clinton
Director
10 May 2019

Logicor Europe LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Logicor Europe LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOGICOR EUROPE LTD

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Logicor Europe Ltd (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of changes in equity;
- the statement of financial position;
- the statement of accounting policies; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Logicor Europe LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOGICOR EUROPE LTD (Continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Logicor Europe LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOGICOR EUROPE LTD (Continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Doherty

Philip Doherty FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
10 May 2019

13

Logicor Europe LTD

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Note	£	£
Revenue	6		
Consultancy fees		10,523,271	7,513,462
Asset management fees		6,463,304	6,393,075
		16,986,575	13,906,537
Expenses			
Salaries	9	(11,838,359)	(18,825,321)
Professional fees		(1,424,855)	(29,010,673)
Legal fees		(261,924)	(248,101)
Branding and marketing		(553,458)	(397,403)
Office costs and temporary staff		(2,218,284)	(3,445,802)
Travel		(600,302)	(465,105)
IT costs		(2,056,852)	(1,806,903)
General expenses		(542,843)	(707,049)
Foreign exchange gains		570,611	40,569
Bank charges		(19,223)	(10,022)
Depreciation		(1,003,198)	(711,413)
Loss on disposals		(20,754)	(864,335)
		(19,969,441)	(56,451,558)
Operating loss before interest and taxation		(2,982,866)	(42,545,021)
Interest receivable		20,756	15,049
Finance costs	15	(2,089,512)	(136,213)
Loss before taxation	7	(5,051,622)	(42,666,185)
Taxation on loss	10	-	-
Loss for the year		(5,051,622)	(42,666,185)

The income statement has been drawn up on the basis that all activities are continuing.

There were no comprehensive income or expenses for 2018 or 2017 other than those included in the Income Statement and therefore, no Statement of Comprehensive Income has been presented.

The notes on pages 14 to 32 form part of these financial statements.

Logicor Europe LTD

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

		2018	2017
	Note	£	£
ASSETS			
Non-current assets			
Investment in subsidiaries	11	1,229,444	1,229,444
Property, Plant and Equipment	12	3,385,482	2,375,331
Total Non-Current Assets		4,614,926	3,604,775
Current Assets			
Trade and other receivables	13	18,929,433	11,374,925
Current tax receivable		-	88,155
Cash and cash equivalents		1,810,273	25,203,649
Total Current Assets		20,739,706	36,666,729
Total Assets		25,354,632	40,271,504
LIABILITIES			
Current Liabilities			
Trade and other payables	14	(4,116,701)	(15,653,132)
Borrowings	15	-	(27,240,000)
Total Current Liabilities		(4,116,701)	(42,893,132)
Net Current Assets/ (Liabilities)		16,623,005	(6,226,403)
Non-Current Liabilities			
Borrowings	15	(19,931,241)	(41,020,061)
Total Non-Current Liabilities		(19,931,241)	(41,020,061)
Total Liabilities		(24,047,942)	(83,913,193)
Net Assets / (Liabilities)		1,306,690	(43,641,689)
EQUITY			
Share capital	17	3	2
Share premium	18	51,097,599	1,097,599
Profit and loss account		(49,790,912)	(44,739,290)
Total Equity / (Deficit)		1,306,690	(43,641,689)

The financial statements and notes thereto were approved and authorised for issue by the Board of Directors on 10 May 2019 and are signed on its behalf by:



Simon Clinton
Director

Registered Company Number: 08326708

The notes on pages 14 to 32 form part of these financial statements.

Logicor Europe LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital £	Share premium £	Profit and loss account £	Total (Deficit)/ equity £
Balance as at 1 January 2017	2	1,097,599	(2,073,105)	(975,504)
Loss for the year 2017	-	-	(42,666,185)	(42,666,185)
Total comprehensive loss for the year 2017	-	-	(42,666,185)	(42,666,185)
Balance as at 31 December 2017	2	1,097,599	(44,739,290)	(43,641,689)
Contributions of equity, net of transaction costs and tax	1	50,000,000	-	50,000,001
Loss for the year 2018	-	-	(5,051,622)	(5,051,622)
Total comprehensive loss for the year 2018	-	-	(5,051,622)	(5,051,622)
Balance as at 31 December 2018	3	51,097,599	(49,790,912)	1,306,690

The notes on pages 14 to 32 form part of these financial statements.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1. GENERAL INFORMATION

Logicor Europe LTD is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is 36 Carnaby Street, 3rd Floor, London, England, W1F 7DR. The nature of the Company's operations and its principal activities are to provide consultancy advice to asset management companies within Europe and asset management services to property companies located in the United Kingdom.

2. BASIS OF ACCOUNTING

The Company meets the definition of a qualifying entity under Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") as issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2018, the Company has undergone transition from reporting under International Financial Reporting Standards ("IFRS") adopted by the European Union to FRS 101. As a result of the Logicor group's parent financial statements being made publicly available and prepared under IFRS, the Company is exempt from having to prepare financial statements on a consolidated basis. The financial statements have been prepared under the historical cost convention modified to include certain items at fair value, and in accordance with FRS 101. This transition is not considered to have had a material effect on the financial statements.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash-flow statement, standards not yet effective and related party transactions.

3. ADOPTION OF NEW AND REVISED STANDARDS

New amended IFRS Standards that are effective for the current year

In the current year, the Company has applied a number of new and revised IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2018.

IFRS 9 – Financial Instruments

There are three key elements to the new IFRS 9 standard:

- 1) Classification and measurement
- 2) Expected credit losses
- 3) Hedge accounting

A description and impact assessment is done below for each of these.

Classification and measurement

IFRS 9 has three classification categories for debt instruments: amortised cost, fair value through other comprehensive income ('FVOCI') and fair value through profit or loss ('FVPL'). Classification under IFRS 9 for debt instruments is driven by the entity's business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest ('SPPI'). An entity's business model is how an entity manages its financial assets in order to generate cash flows and create value for the entity. That is, an entity's business model determines whether the cash flows will result from collecting contractual cash flows, selling financial assets or both. If a debt instrument is held to collect contractual cash flows, it is classified as amortised cost if it also meets the SPPI requirement. Debt instruments that meet the SPPI requirement that are held both to collect assets' contractual cash flows and to sell the assets are classified as FVOCI.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

3. ADOPTION OF NEW AND REVISED STANDARDS (Continued)

Under the new model, FVPL is the residual category – financial assets should therefore be classified as FVPL if they do not meet the criteria of FVOCI or amortised cost. Regardless of the business model assessment, an entity can elect to classify a financial asset at FVPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch').

Classification & Measurement impact

The change in classification and measurement will not impact the Company's financial assets as they are currently all classified as Loans and receivables. "Loans and receivables" will continue to be accounted for at amortised cost as they are under IAS 39.

Expected credit losses

IFRS 9 introduces a new model for the recognition of impairment losses – the expected credit losses ("ECL") model. The ECL model constitutes a change from the guidance in IAS 39 and seeks to address the criticisms of the incurred loss model which arose during the economic crisis. In practice, the new rules mean that entities will have to record a day one loss equal to the 12-month ECL on initial recognition of financial assets that are not credit impaired (or lifetime ECL for trade receivables). IFRS 9 contains a 'three stage' approach which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. Where there has been a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL. The model includes operational simplifications for lease and trade receivables.

Expected credit losses impact

Management have assessed the impact of applying IFRS 9 and believe that it does not have a material impact on the Financial Statements.

Hedge Accounting

The changes in Hedge Accounting will not impact the Company as the Company does not hedge account any items.

IFRS 15 – Revenue from Contracts with Customers

The new standard applies to all contracts with customers, excluding leases, insurance contracts, financial instruments (including financial guarantee contracts) and contractual arrangements in the scope of other guidance.

The new standard introduces a five step model to determine when revenue should be recorded:

- i) Identify the contract with the customer
- ii) Determine the transaction price
- iii) Identify the performance obligations involved in the contract
- iv) Allocate the transaction price to each performance obligation
- v) Recognise revenue when (or as) the entity satisfies a performance obligation

Due to the nature of the Asset Management and Consultancy contracts in place, the new standard has not impacted on the timing of the Company's revenue recognition. Therefore, there has been no material impact on application of this new standard.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 December 2018

4. ACCOUNTING POLICIES

Going concern

In preparing the financial statements as at 31 December 2018, the Directors have reviewed the ability of the Company to meet its obligations over 12 months following the date of signature of these financial statements. The Company is expected to be cash positive for the foreseeable future. Logicor Europe Holdings S.à.r.l (the "Parent") provided a letter confirming their intention to waive intercompany loans provided within 12 months and any other amounts owed by the borrower if it does not have ability to pay such loans after structural costs have been paid. The company is forecasted to be profit generating from 2019 and will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following basis:

Leasehold improvements	Over the life of the lease
IT	2 to 5 years
Fixtures and fittings	2 to 10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company also has a policy of capitalising consultancy fees relating to software development in accordance with IAS38.

Leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Revenue

Revenue represents consultancy fee income and asset management fee income, receivable at invoiced amounts exclusive of Value Added Tax. Income is measured at the fair value of the consideration received or receivable and represents amounts for services provided in the normal course of business.

Interest income

Interest income is recognised when it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis with reference to the principal outstanding and the rate of interest to be applied.

Receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Receivables are measured at amortised cost using the effective interest method, less any expected credit losses. Receivables are provided for using the expected credit loss model as required by IFRS 9. All receivables are held with affiliated companies within the Logicor Group and as such, expected credit losses are expected to be immaterial.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

4. ACCOUNTING POLICIES (continued)

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the financial arrangement.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

Benefit schemes

Payments to defined contribution pension schemes are recognised as an expense when employees have rendered services entitling them to the contributions.

Where benefits are earned over more than one year, the cost of the benefits are recognised on a straightline basis over the vesting period. The cost of benefits are remeasured every reporting period.

Investments

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Foreign currencies

The financial statements are presented in Great British Pound Sterling (£), which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at that the rates prevailing at that date.

Exchange differences are recognised in the income statement in the year in which they arise.

Current tax

The tax currently payable is based on taxable profit for the year. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax assets on losses are not recognised due to the unpredictability of utilising these losses.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Due to the cost-plus nature of profit generation within the Company there are no significant areas of judgement or estimation uncertainty.

Where the cost of employee benefits are dependent on the future value of the Company or that of affiliated companies, the value of such benefits is estimated by management. Any such benefits are within the wages and salaries amount in the income statement and accrued into the balance sheet in accruals. The estimated value is derived from the most recent board approved business plan and includes forecasts of cash flows derived from rent rolls and other leasing projections together with expectations of changes in estimated rental values ('ERVs') and yields of properties. The estimated value is based on assumptions and the main sensitivity would be volatility of future property values. If the property assumptions for ERVs changed by 5% and equivalent yields changed by 25bps the impact on the charge for the year would be approximately £320,000.

6. REVENUE

Revenue for the year is derived from UK asset management fees and consultancy fees to European asset management companies.

7. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging/(crediting):

	2018 £	2017 £
Salaries	11,838,359	18,825,321
Depreciation	1,003,198	711,413
Foreign exchange gains	(570,611)	(40,569)
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements.	40,000	45,000
Fees paid to Deloitte LLP for the audit of the special purpose financial statements which were prepared for the sale of the Logicor Group.	-	3,450,212
Professional fees relating to the preparation of the Logicor Group for a sale or capital raising (excluding £3,450,212 paid to Deloitte LLP for the audit of the special purpose financial statements which were prepared for the sale of the Logicor Group).	-	27,992,171

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2018**

8. DIRECTORS' REMUNERATION

Remuneration in respect of Directors was as follows:

	2018	2017
	£	£
Aggregate remuneration comprised:		
Emoluments	2,781,392	4,191,159
Pension contributions to money purchase pension schemes	83,423	19,328
	<u>2,864,815</u>	<u>4,210,487</u>

During the year three Directors (2017: two) participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid Director as follows:

	2018	2017
	£	£
Aggregate remuneration comprised:		
Emoluments	1,292,896	3,052,562
Pension contributions to money purchase pension schemes	41,167	7,056
	<u>1,334,063</u>	<u>3,059,618</u>

9. SALARIES

The average monthly number of employees (including Directors) was 60 (2017: 54).

	2018	2017
	No. of employees	No. of employees
Senior Management/Finance	24	22
Management/Investment	18	18
Employees/Other	18	14
	<u>60</u>	<u>54</u>

	2018	2017
	£	£
Aggregate remuneration (including Directors) comprised:		
Wages and salaries	9,876,781	16,005,215
Social security costs	1,300,037	2,142,460
Other benefits	661,541	677,646
	<u>11,838,359</u>	<u>18,825,321</u>

From 1 January 2014, the Company operated a defined contribution pension scheme for the benefit of the employees and Directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £429,989 (2017: £365,684).

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

10. TAXATION ON LOSS

	2018 £	2017 £
Current tax		
Current year credit	-	-
Total tax credit on loss for the year	-	-

Corporation tax is calculated at 19% (2017: 19.25%) of the estimated taxable profit for the year. From 1 April 2017, the UK corporation tax rate was lowered from 20% to 19%.

	2018 £	2017 £
Loss before tax	(5,051,622)	(42,666,185)
Loss at the standard rate of corporation tax in the UK of 19% (2017: 19.25%)		
<i>Effect of:</i>	(959,808)	(8,213,241)
Items disallowable for tax purposes:	5,512	2,882,962
Depreciation in excess of capital allowances	190,608	136,947
UK losses carried forward	763,688	5,193,332
Total tax credit on loss for the year	-	-

No deferred tax asset has been recognised in respect of tax losses carried forward as at 31 December 2018 which total £26.1m (2017: £22.1m) due to the unpredictability of utilising these losses.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

11. INVESTMENT IN SUBSIDIARIES

The subsidiaries of the Company are as follows:

	Incorporated/ acquired	Country	Registered address	% ownership
Logicor Beheer B.V.	23 July 2013	Netherlands	6 th Floor, Suikersilo 17, Halfweg 1165 Netherlands	100
Logicor Management Polska Sp. z o.o	16 April 2013	Poland	Skaryszewska 7, Warsaw 03-802, Poland	100
Logicor Deutschland GmbH	19 December 2013	Germany	Bockenheimer Landstraße, 13-15, 60325 Frankfurt am Main, Germany	100
Logicor Italia S.R.L.	4 February 2014	Italy	Via Montenapoleone 29, Milan 20121, Italy	100
Logicor España S.L.	4 April 2014	Spain	Calle 7, 5 th Floor, Madrid, 28006, Spain	100
Logicor Gestion SAS	31 October 2014	France	134 Boulevard Haussmann, Paris, 75008, France	100
Logicor Property France SA*	31 October 2014	France	134 Boulevard Haussmann, Paris, 75008, France	100
Logicor Portugal SUL	28 May 2015	Portugal	Rua Tierno Galvan, nº10 – Torre 3 das Amoreiras – Piso 6, Sala 602, Lisbon, 1070-274, Portugal	100
Logicor Management Hungary Kft	1 March 2016	Hungary	12 Buday Laszlo, Budapest 1024, Hungary	100

*Indirectly owned through Logicor Gestion SAS.

The above percentages show the amounts of ordinary shares held by Logicor Europe Ltd.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

12. PROPERTY, PLANT AND EQUIPMENT

Cost	Leasehold improvements £	Fixtures & fittings £	IT equipment £	Total £
At 1 January 2018	871,031	351,810	2,040,826	3,263,667
Additions	29,971	19,791	1,984,341	2,034,103
Disposals	-	-	(35,093)	(35,093)
At 31 December 2018	901,002	371,601	3,990,074	5,262,677
Depreciation				
At 1 January 2018	86,488	30,576	771,272	888,336
Depreciation	179,278	72,549	751,371	1,003,198
Disposals	-	-	(14,339)	(14,339)
At 31 December 2018	265,766	103,125	1,508,304	1,877,195
Net book amount at 31 December 2018	635,236	268,476	2,481,770	3,385,482
Net book amount at 31 December 2017	784,543	321,234	1,269,554	2,375,331
Cost				
At 1 January 2017	151,268	113,974	2,750,802	3,016,044
Additions	871,031	342,356	654,321	1,867,708
Disposals	(151,268)	(104,520)	(1,364,297)	(1,620,085)
At 31 December 2017	871,031	351,810	2,040,826	3,263,667
Depreciation				
At 1 January 2017	117,640	70,834	700,261	888,735
Depreciation	111,698	41,472	558,243	711,413
Disposals	(142,850)	(81,730)	(487,232)	(711,812)
At 31 December 2017	86,488	30,576	771,272	888,336
Net book amount at 31 December 2017	784,543	321,234	1,269,554	2,375,331
Net book amount at 31 December 2016	33,628	43,140	2,050,541	2,127,309

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

13. TRADE AND OTHER RECEIVABLES

	2018 £	2017 £
Trade receivables with affiliated companies	1,390,721	64,850
Trade receivables with subsidiary companies	419,288	4,133,035
Accrued income from affiliated companies	1,378,359	374,903
Deposits and other receivables from affiliated companies	6,305,706	1,018,248
Accrued income from subsidiary companies	4,853,694	316,597
Other receivables from subsidiary companies	3,130,012	3,153,482
Prepayments and deferred expenditure	961,456	586,766
Other receivables	490,197	1,727,044
	18,929,433	11,374,925

All amounts receivable from affiliated companies are held with affiliated companies which are not subsidiaries of the Company. An amount of £6,300,000 is included within accrued income and other receivables from affiliated companies and is part of a cash pooling arrangement with Eurocor Treasuryco S.à.r.l. This accrues interest at 0.496%. Also, included within accrued income and other receivables from subsidiary companies is an amount of £215,000 which falls under a facility agreement extended to Logicor Management Polska Sp.z o.o. This accrues interest at 7% per annum and has no fixed maturity. All other balances are non-interest bearing.

The Directors consider that the carrying amount of trade and other receivables approximates their fair value. No provisions for expected credit losses have been recognised as all transactions are with companies within the Logicor Group.

Further details of the Trade receivables with affiliated companies and the Accrued income and other receivables from affiliated companies balances are shown in note 19.

14. TRADE AND OTHER PAYABLES

	2018 £	2017 £
Trade payables to affiliated companies	198,601	7,699
Accrued payables to affiliated companies	554,011	660,114
Other payables to affiliated companies	-	9,794
Accrued payables to subsidiary companies	-	2,275,608
Trade payables with third parties	1,288,926	4,428,152
Other payables	367,501	3,538,469
Accruals and deferred income	1,707,662	4,733,296
	4,116,701	15,653,132

The Directors consider that the carrying amount of trade payables approximates to their fair value. Trade payables with affiliated companies and amounts payable to affiliated companies are repayable on demand and are non-interest bearing.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

15. BORROWINGS

	2018 £	2017 £
Loan payable to Parent Company	-	-
Loan payable to affiliated companies	-	27,240,000
Total current borrowings	-	27,240,000

	2018 £	2017 £
Loan payable to Parent Company	19,931,241	-
Loan payable to affiliated companies	-	41,020,061
Total non-current borrowings	19,931,241	41,020,061

On 9 May 2018 the loan of £27,240,000 was assigned from Logicor Europe Holdings II S.à r.l. to Logicor Europe Holdings S.à r.l. On 7 May 2018 the loans payable to affiliated companies were assigned to Logicor Europe Holdings S.à r.l. Interest is charged at LIBOR + 3% and both mature on 29 November 2022. On 12 December 2018, £50,000,001 of the loan balance was capitalised as the Company issued one ordinary share to its Parent Company, Logicor Europe Holdings S.à r.l., for nominal value £1 and £50,000,000 share premium. £2,089,512 (2017: 136,213) was recognised as an interest expense during the year.

16. FINANCIAL INSTRUMENTS

Categorisation of financial instruments:	2018 £	2017 £
Trade and other receivables	18,593,168	9,202,631
Cash and cash equivalents	1,810,273	25,203,649
Loans and receivables – at amortised cost	20,403,441	34,406,280
Trade and other payables	4,116,701	15,653,132
Borrowings – current	-	27,240,000
Borrowings – non-current	19,931,241	41,020,061
Liabilities – at amortised cost	24,047,942	83,913,193

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss for the Company. The majority of the Company's transactions are with companies with the Logicor Group, as such, the credit risk is reduced compared to non-related counterparty risk. The Company continually monitors the underlying tenant credit ratings on behalf of the managed property companies to ensure that they are within the recommended limits to minimise the risk of default and ensure adequate ownership.

Amounts receivable from affiliated companies consists of a large number of customers, who are all related parties, in the real estate industry throughout Europe. Ongoing monitoring and evaluation is performed on the financial condition of accounts receivable to ensure cash is available to pay invoices.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

16. FINANCIAL INSTRUMENTS (continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

Market risk

The Company's activities expose it primarily to the financial risks of downturns in the logistics market that could result in the inability of managed property portfolios to meet debt service payments and breach debt covenants. The Company takes appropriate steps to monitor and manage such risks in a variety of ways including:

- actively monitoring the logistics market through research and use of experts;
- continually monitoring the covenants placed on tenants;
- meeting with tenants and inspecting properties; and
- setting budgets based on expectation of the market trajectory.

There has been no change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Capital risk management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the equity balance.

The capital structure of the Company consists of equity (comprising issued capital as disclosed in note 17, share premium, and profit and loss) and debt finance provided by the Parent company (note 15).

The Company is not subject to any externally imposed capital requirements.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

17. SHARE CAPITAL

	2018 £	2017 £
Authorised:		
3 ordinary shares of £1 each	<u>3</u>	<u>2</u>
Issued and fully paid:		
3 ordinary shares of £1 each	<u>3</u>	<u>2</u>

On 12 December 2018, 1 ordinary share with nominal value £1 was issued. Further details of this transaction are disclosed in note 15.

18. SHARE PREMIUM

	Share Premium £
Balance at 1 January and 31 December 2017	1,097,599
Premium arising on issue of equity shares	<u>50,000,000</u>
Balance at 31 December 2018	<u>51,097,599</u>

On 12 December 2018, £50,000,000 of share premium arose on the issue of one ordinary share to the Company's Parent, Logicor Europe Holdings S.à.r.l. Further details of this transaction are disclosed in note 15.

19. RELATED PARTY TRANSACTIONS

Transactions between the Company and its associates are disclosed below. All related party transactions are conducted on an arm's length basis in accordance with the relevant agreements in place between the Company and its related parties.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions for expected credit losses have been recognised as all transactions are with companies within the Logicor Group.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

19. RELATED PARTY TRANSACTIONS (continued)

During the year, the Company entered into the following transactions with related parties. Amounts outstanding at the balance sheet date are also disclosed:

	Total Consultancy Fees £	Total Asset Management Fees £	Total Interest Receivable £	Total Interest Payable £	Total £
Trading in the Year to 31 December 2018	10,523,271	6,463,304	20,756	(2,089,512)	14,917,819
Balances at 31 December 2018	Total Consultancy Fees £	Total Asset Management Fees £	Total Deposits, Loan Principle & Interest Receivable £	Total Loan Principle & Interest Payable £	Total £
Trade receivables with subsidiary & affiliated companies	419,288	1,390,721	-	-	1,810,009
Accrued income from affiliated companies	992,861	385,498	-	-	1,378,359
Deposits receivable from affiliated companies	-	-	6,305,706	-	6,305,706
Accrued income from subsidiary companies	4,853,694	-	-	-	4,853,694
Other receivables from subsidiary companies	-	-	3,130,012	-	3,130,012
Trade payables with affiliated companies	(164,846)	(33,755)	-	-	(198,601)
Accrued payables to affiliated companies	(62,740)	(491,271)	-	-	(554,011)
Accrued payables to subsidiary companies	-	-	-	-	-
Loans payable to Parent Company	-	-	-	(19,931,241)	(19,931,241)
Balance at 31 December 2018	6,038,257	1,251,193	9,435,718	(19,931,241)	(3,206,073)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

19. RELATED PARTY TRANSACTIONS (continued)

The related parties that the Company traded with during 2018 and held balances with as at 31 December 2018 were as follows:

Parent Company

Logicor Europe Holdings S.à r.l.

Subsidiary Companies

Logicor Beheer BV

Logicor Deutschland GmbH

Logicor Espana SL

Logicor Gestion SAS

Logicor Italia Srl

Logicor Management Hungary Kft

Logicor Management Polska Sp.z.o.o.

Logicor Portugal Sociedade Unipessoal LDA

Logicor Property France SARL

Affiliated Companies

Brackmills Limited

Branston Investment S.à r.l.

Cowley Investment S.à r.l.

Diamond Eight S.à r.l.

Diamond Nine S.à r.l.

Diamond One S.à r.l.

Diamond Seven S.à r.l.

Diamond Ten S.à r.l.

Diamond Three S.à r.l.

Diamond Two S.à r.l.

Eurocor Lux Propco S.à r.l.

Eurocor Treasuryco S.à r.l.

Havelock IOM LP

Infield House S.à r.l.

Infield House Unit Trust

Italian Logistics Holdco BV

Kensington UK Industrial Propco S.à r.l.

Kensington UK Logistics (Bristol) S.à r.l.

LOG.IQ GmbH

Logicor (Curve) MK S.à r.l.

Logicor (Ellipsis) S.à r.l.

Logicor (Ferrari) Holdco BV

Logicor (River) S.à r.l.

Logicor (Scorpion) Holdco BV

Logicor Europe Holdings II S.à r.l.

Logicor Financing S.à r.l.

Logistics 101 Limited

Logistics 101 S.à r.l.

Max Industrial 2 LP

MPG Artemis LP

MPG Artemis LP Ltd

Redwood (Light Industrial) Propco S.à r.l.

Redwood (Logistics 1) Propco S.à r.l.

Redwood (Logistics 2) Propco S.à r.l.

Rhombus Eight S.à r.l.

Rhombus Eleven S.à r.l.

Rhombus Five S.à r.l.

Rhombus Four S.à r.l.

Rhombus Fourteen S.à r.l.

Rhombus Nine S.à r.l.

Rhombus No.3 Ltd

Rhombus One S.à r.l.

Rhombus Seven S.à r.l.

Rhombus Six S.à r.l.

Rhombus Ten S.à r.l.

Rhombus Thirteen S.à r.l.

Rhombus Twelve S.à r.l.

Rhombus Two S.à r.l.

Teal New Brackmills S.à r.l.

Teal New Corby S.à r.l.

Teal New Darlaston S.à r.l.

Teal New Doncaster S.à r.l.

Teal New Glasshoughton S.à r.l.

Teal New Hams Hall S.à r.l.

Teal New Houghton Main S.à r.l.

Teal New Huntingdon S.à r.l.

Teal New Kingston Park S.à r.l.

Teal New Rugeley S.à r.l.

Teal Voltaic S.à r.l.

The Lymedale Park Unit Trust

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

19. RELATED PARTY TRANSACTIONS (continued)

	Total Consultancy Fees £	Total Asset Management Fees £	Total Interest Receivable £	Total Interest Payable £	Total £
Trading in the Year to 31 December 2017	7,513,462	6,393,075	15,049	(136,213)	13,785,373
Balances at 31 December 2017	Total Consultancy Fees £	Total Asset Management Fees £	Total Deposits, Loan Principle & Interest Receivable £	Total Loan Principle & Interest Payable £	Total £
Trade receivables with subsidiary & affiliated companies	4,133,035	64,850	-	-	4,197,885
Accrued income from affiliated companies	13,187	361,716	-	-	374,903
Other receivables from affiliated companies	-	-	1,018,248	-	1,018,248
Accrued income from subsidiary companies	316,597	-	-	-	316,597
Other receivables from subsidiary companies	-	-	3,153,482	-	3,153,482
Trade payables with affiliated companies	-	(7,699)	-	-	(7,699)
Accrued payables to affiliated companies	(229,231)	(430,883)	-	-	(660,114)
Other payables to affiliated companies and borrowings	-	(9,793)	-	(68,260,061)	(68,269,854)
Accrued payables to subsidiary companies	(2,275,608)	-	-	-	(2,275,608)
Balance at 31 December 2017	1,957,980	(21,809)	4,171,730	(68,260,061)	(62,152,160)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

19. RELATED PARTY TRANSACTIONS (continued)

The related parties that the Company traded with during 2017 and held balances with as at 31 December 2017 were as follows:

Subsidiary Companies

Logicor Beheer B.V.

Logicor Deutschland GmbH

Logicor España S.L.

Logicor Gestion SAS

Logicor Italia S.R.L.

Logicor Management Hungary Kft

Logicor Management Polska SP. z o.o.

Logicor Portugal SUL

Logicor Property France SARL

Affiliated Companies

Blackstone Property Management Limited

Brackmills Limited

Branston Investment S.à r.l

Carbon Paddock Wood Ltd.

Carbon Teesdale Ltd.

Carbon Willow Properties Ltd.

Cowley Investment S.à r.l

Dagenham Ltd.

Diamond Eight S.à r.l

Diamond Nine S.à r.l

Diamond One S.à r.l

Diamond Seven S.à r.l

Diamond Ten S.à r.l

Diamond Three S.à r.l

Diamond Two S.à r.l

Harbour (Logistics) Bidco Oy

Hardwick (Doncaster) Property Company Ltd.

Havelock IOM LP

Infield House Unit Trust

Italian Logistics (HoldCo) B.V.

Kensington UK Holdco S.à r.l

Kensington UK Industrial (Huncoat) S.à r.l

Kensington UK Industrial Propco S.à r.l

Kensington UK Logistics (Bristol) S.à r.l

LOG IQ GmbH

Logicor Ferrari (HoldCo) B.V.

Logicor Oy

Logicor Quartz Moissy I S.à r.l

Logicor Quartz Moissy II S.à r.l

Logicor Quartz Saint Witz S.à r.l

Logicor Quartz Tigery S.à r.l

Logicor Real Estate I Oy

Logicor Real Estate II Oy

Logicor Real Estate III Oy

Logicor Scorpion (HoldCo) B.V.

Logistics 101 Limited

Max Industrial LP

MPG Artemis LP

Multi Corporation B.V.

Perfectautonomy- Invetimentos Imobiliarios S.A.

Redwood (Light Industrial) Propco S.à r.l

Redwood (Logistics 1) Propco S.à r.l

Redwood (Logistics 2) Propco S.à r.l

Rhombus Eight S.à r.l

Rhombus Eleven S.à r.l

Rhombus Five S.à r.l

Rhombus Four S.à r.l

Rhombus Fourteen S.à r.l

Rhombus Nine S.à r.l

Rhombus No.3 Limited

Rhombus One S.à r.l

Rhombus Seven S.à r.l

Rhombus Six S.à r.l

Rhombus Ten S.à r.l

Rhombus Thirteen S.à r.l

Rhombus Twelve S.à r.l

Rhombus Two S.à r.l

Rugeley G Park

SCI Camargue Logistics

Teal Corby Ltd.

Teal Glasshoughton Ltd.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

19. RELATED PARTY TRANSACTIONS (continued)

Logicor (Curve) Ens GmbH	Teal Kingston Park Limited
Logicor (Curve) France SNC	Teal New Brackmills S.à r.l
Logicor (Curve) Germany B.V.	Teal New Corby S.à.r.l
Logicor (Curve) MK S.à r.l	Teal New Darlaston S.à r.l
Logicor (Curve) WE Eins GmbH	Teal New Doncaster S.à r.l
Logicor (Curve) WE Zwei GmbH	Teal New Glasshoughton S.à r.l
Logicor (Ellipsis) S.à r.l	Teal New Hams Hall S.à r.l
Logicor (Loren) Carvin SNC	Teal New Houghton Main S.à r.l
Logicor (Loren) Corbas SNC	Teal New Huntingdon S.à r.l
Logicor (Loren) Garonor II SAS	Teal New Kingston Park Limited
Logicor (Loren) Garonor SNC	Teal New Rugeley S.à r.l
Logicor (Loren) Libercourt SNC	Teal Rugeley S.à r.l
Logicor (Loren) Reventin SNC	Teal Voltaic S.à.r.l
Logicor (Loren) Roissy SNC	Teal Wakefield 1 Limited
Logicor (River) S.à r.l	Teal Wakefield 2 Limited
Logicor (Space) Topco Oy	Terminal Real Estate Sweden
Logicor I SAS	The Lymedale Park Unit Trust
Logicor Europe Holdings II S.à.r.l	Valecorp Limited (A)

20. CONTROLLING PARTY INFORMATION

The controlling party of the Company is Eurologi II S.à.r.l, an entity registered in Luxembourg. Copies of the financial statements for Eurologi II S.à.r.l are available from its registered office, 2-4 rue Eugene Ruppert, Luxembourg, L-2453. As a result of these statements being made publicly available and prepared under IFRS, the Company is exempt from having to prepare financial statements on a consolidated basis. The smallest set of publicly available financial statements into which these financial statements are consolidated are the Eurocor II S.à.r.l and Eurocor III S.à.r.l combined financial statements, the largest is the Eurologi II S.à.r.l.

The immediate parent of the Company is Logicor Europe Holdings S.à r.l with registered offices at 2-4 rue Eugene Ruppert, Luxembourg, L-2453, whilst the ultimate parent is China Investment Corporation.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2017

21. OPERATING LEASE ARRANGEMENTS

	2018 £	2017 £
Minimum lease payments under operating leases recognised as an expense in the year	851,894	1,358,241

At the statement of financial position date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	792,750	770,000
In the second to fifth years inclusive	3,154,187	2,489,315
Above five years	2,485,096	3,255,096
	<u>6,432,033</u>	<u>6,514,411</u>

Operating lease payments represent rentals payable by the Company for its office properties.

22. EVENTS AFTER THE REPORTING YEAR

The financial statements were authorised for issue on 10 May 2019. There are no events after the reporting year.