

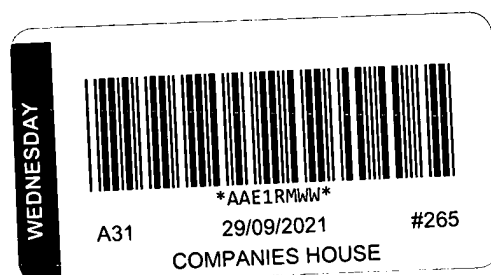
Company Registration Number: 10781555 (England and Wales)

DUAGH PROPERTY LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST DECEMBER 2020

We have prepared the unaudited financial statements for the period ended 31st December 2020 as Directors of the Company from the information in our possession for the benefit of the Shareholder only. These unaudited financial statements should not be relied upon by any other person.



DUAGH PROPERTY LIMITED

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DUAGH PROPERTY LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and the unaudited financial statements of Duagh Property Limited (the "Company") for the period ended 31st December 2020.

INCORPORATION

The Company was incorporated in England and Wales on 20th May 2017.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of holding investment properties.

CHANGE OF ACCOUNTING DATE

The Company has changed its annual reporting date from 31st May to 31st December. This was done to align the accounting reporting period to that of the group for consolidation purposes. The current period is presented for 7 months and the comparative is for 12 months so the comparative information are not entirely comparable.

RESULTS AND DIVIDENDS

The net assets of the Company as at 31st December 2020 were £37,589,422 (31st May 2020: £2,010,810).

The profit for the period amounted to £35,578,612 (year ended 31st May 2020: £714,729).

The Directors do not recommend a dividend for the period (year ended 31st May 2020: £nil).

COVID-19

At the time of approving these financial statements the Directors are actively monitoring the developing spread of the coronavirus ("COVID-19") and assessing the risks arising. COVID-19 is a developing situation and the assessment of this situation will need continued attention and will evolve over time. However, as Directors we do not underestimate the seriousness of the issue and the inevitable effect it will have on the global economy and many businesses across the world. This is a unique situation which makes it difficult to predict the outcome and the effect on the Company and performance. At present, the Directors do not consider COVID-19 will impact the going concern of the Company.

GOING CONCERN

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements.

DIRECTORS

The Directors who held office during the period and subsequently were:

J.J. Byrne	(resigned 29th January 2021)
S.P. Byrne	(resigned 29th January 2021)
J.W. McGowan	(appointed 29th January 2021; resigned 30th June 2021)
A.T.J. Moll	(appointed 29th January 2021)
R. Nulud	(appointed 3rd June 2021)
M.J. Stockwell	(appointed 29th January 2021; resigned 3rd June 2021)
J.X. Withrington	(appointed 29th January 2021)

SECRETARY

The Company Secretary who held office from 29th January 2021 and up to the date of approval of the financial statements was SJ Secretaries Limited.

REGISTERED OFFICE

27-28 Clements Lane
London
England, EC4N 7AE

DUAGH PROPERTY LIMITED

REPORT OF THE DIRECTORS - (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

The Directors are required to prepare financial statements for each financial period under the Companies Act 2006 (the "Applicable Legislation"). As permitted by the Applicable Legislation, the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards, including with Financial Reporting Standard 102 1A: Small Entities, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102 Section 1A") and applicable law. The financial statements are required to give a true and fair view of the state of affairs of the Company and the profit and loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

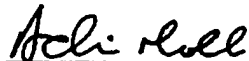
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, including FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the 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.
- 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 to enable them to ensure that the financial statements comply with the Applicable Legislation. 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.

The Directors confirm that they have complied with the above requirements throughout the period and subsequently.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD



Authorised signatory

SJ Secretaries Limited

Secretary

Date: 24th September 2021

DUAGH PROPERTY LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31ST DECEMBER 2020**

Company Registration Number: 10781555 (England and Wales)

	<u>Notes</u>	<u>31st Dec 20</u>	<u>31st May 20</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Investment properties at fair value through profit or loss	5	59,500,000	16,293,957
CURRENT ASSETS			
Debtors: Amounts falling due within one year	6	-	14,936
Cash at bank and in hand		1,067,250	545,043
		1,067,250	559,979
CREDITORS: Amounts falling due within one year	7	(453,713)	(756,570)
NET CURRENT ASSETS / (LIABILITIES)		613,537	(196,591)
TOTAL ASSETS LESS CURRENT LIABILITIES		60,113,537	16,097,366
CREDITORS: Amounts falling due after more than one year	8	(22,524,115)	(14,086,556)
NET ASSETS		37,589,422	2,010,810
CAPITAL AND RESERVES			
Share capital		100	100
Revaluation reserve		34,919,475	-
Profit and loss account		2,669,847	2,010,710
EQUITY SHAREHOLDER'S FUNDS		37,589,422	2,010,810

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31st December 2020.

The Members have not required the Company to obtain an audit of its financial statements for the period ended 31st December 2020 in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for:

(a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 4 to 12 were approved and authorised for issue by the Board of Directors on 24th September 2021 and were signed on its behalf by:

Director: 
A.T.J. Moll

(The notes on pages 7 to 12 form an integral part of these unaudited financial statements)

DUAGH PROPERTY LIMITED**INCOME STATEMENT****FOR THE PERIOD ENDED 31ST DECEMBER 2020**

	<u>Notes</u>	1st Jun 20 to 31st Dec 20	1st Jun 19 to 31st May 20
		£	£
TURNOVER	9	978,904	1,200,000
GROSS PROFIT		978,904	1,200,000
ADMINISTRATIVE EXPENSES	10	(19,122)	(51,838)
OTHER OPERATING INCOME		2,252	-
OPERATING PROFIT		962,034	1,148,162
Net unrealised gain on revaluation of investment properties	5	43,107,034	-
PROFIT FOR THE PERIOD / YEAR BEFORE FINANCE COSTS AND TAXATION		44,069,068	1,148,162
Interest payable and similar expenses	11	(148,285)	(265,728)
PROFIT FOR THE PERIOD / YEAR BEFORE TAXATION		43,920,783	882,434
Taxation	12	(8,342,171)	(167,705)
PROFIT FOR THE PERIOD / YEAR		35,578,612	714,729

(The notes on pages 7 to 12 form an integral part of these unaudited financial statements)

DUAGH PROPERTY LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 31ST DECEMBER 2020**

	<u>Share capital</u>	<u>Revaluation reserve</u>	<u>Profit and loss account</u>	<u>Total</u>
	£	£	£	£
BALANCE AT 1ST JUNE 2019	100	-	1,295,981	1,296,081
Profit for the year	-	-	714,729	714,729
BALANCE AT 31ST MAY 2020	100	-	2,010,710	2,010,810
Profit for the period	-	34,919,475	659,137	35,578,612
BALANCE AT 31ST DECEMBER 2020	100	34,919,475	2,669,847	37,589,422

(The notes on pages 7 to 12 form an integral part of these unaudited financial statements)

DUAGH PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS**FOR THE PERIOD ENDED 31ST DECEMBER 2020****1 GENERAL INFORMATION**

Duagh Property Limited (the "Company") holds investment properties in the United Kingdom.

The Company is a private limited company registered in England and Wales. The Company's registered number is 10781555. The address of its registered office is 27-28 Clements Lane, London, England, EC4N 7AE.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared under United Kingdom Accounting Standards, including Financial Reporting Standard 102 1A: Small Entities, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102 Section 1A") and in compliance with the Companies Act 2006.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to the current period and prior year presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of the investment properties measured at fair value through profit or loss.

The functional currency of the Company is Pound Sterling because this is the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pound Sterling.

Comparative information

The Company has changed its annual reporting date from 31st May to 31st December. This was done to align the accounting reporting period to that of the group for consolidation purposes. The current period is presented for 7 months and the comparative is for 12 months so the comparative information are not entirely comparable.

COVID-19

Details of the impact of COVID-19 on the Company is set out in the Report of the Directors on pages 2 and 3.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Investment properties

Investment properties is initially recognised at cost which includes purchase cost and any directly attributable expenditure. Investment properties for which a value can be measured reliably without undue cost or effort on an ongoing basis is measured at fair value annually, with any changes in fair value recognised in the Income Statement.

The Company engaged independent valuers to determine fair value. The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Income Statement.

DUAGH PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**FOR THE PERIOD ENDED 31ST DECEMBER 2020****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)****Financial instruments**

Basic financial instruments are initially recorded at transaction price and are subsequently measured at amortised cost using the effective interest method.

Turnover*Rental income and service charge income*

Income arising from operating leases is recognised when the right to receive the consideration is established and is recognised on a straight-line basis over the term of the relevant lease. Where payments are received from tenants in advance of the period the rent is incurred, the amounts are recorded as deferred income and included as part of creditors due within one year. Initial indirect costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term.

Interest income

Income earned on bank deposits are recognised on an accruals basis.

Taxation

Current tax, including United Kingdom corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences which are differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. Deferred tax relating to investment properties is measured using the tax rates and allowances that apply to sale of the asset.

Deferred tax assets and liabilities are offset only if: (a) the Company has a legally enforceable right to set off the current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Provisions for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. The profit or loss on exchange is recognised in the Income Statement.

DUAGH PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE PERIOD ENDED 31ST DECEMBER 2020****4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTIES**

In the application of the Company's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing 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.

5 INVESTMENT PROPERTIES

	<u>31st Dec 20</u>	<u>31st May 20</u>
Freehold land and buildings	£	£
At cost		
Balance brought forward	16,293,957	14,698,409
Additions during the period / year	99,009	1,595,548
At 31st December 2020 / 31st May 2020	16,392,966	16,293,957
At fair value		
Balance brought forward	16,293,957	14,698,409
Additions during the period / year	99,009	1,595,548
Net unrealised gain on revaluation of investment properties	43,107,034	-
At 31st December 2020 / 31st May 2020	59,500,000	16,293,957

The Company holds land at Goat Road, Tramway Path and property at 1 Drake Road, Mitcham, London.

The fair value of the properties as at 31st December 2020 is based on a valuation report prepared by CBRE Limited as at 4th December 2020 in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

The valuer has adopted a residual valuation approach primarily derived using comparable recent market transactions on arm's length basis.

As at 31st May 2020, the cost of the properties were deemed to be the fair value of the properties.

The Directors believe that the carrying amounts approximate the fair value of the property as at period/year end.

6 DEBTORS: Amounts falling due within one year

	<u>31st Dec 20</u>	<u>31st May 20</u>
	£	£
Other debtors	-	14,936

7 CREDITORS: Amounts falling due within one year

	<u>31st Dec 20</u>	<u>31st May 20</u>
	£	£
Bank loan (Note 8)	-	500,000
Acquisition costs	3,014	-
VAT payable	118,382	52,081
Taxation payable	322,317	167,705
Accrued expenses	10,000	36,784
	453,713	756,570

DUAGH PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE PERIOD ENDED 31ST DECEMBER 2020**

8 CREDITORS: Amounts falling due after more than one year	31st Dec 20	31st May 20
	£	£
Bank loan	5,854,556	5,604,556
Loans due to Shareholder	6,782,000	6,782,000
Other loans	1,700,000	1,700,000
Deferred tax liability	8,187,559	-
	22,524,115	14,086,556
Bank loan	£	£
Due within one year	-	500,000
Due after more than one year	5,854,556	5,604,556
	5,854,556	6,104,556

The bank loan was repaid in January 2021 and was secured by first legal charges over the investment property supported by a hedge agreement with this lender for a cap option relating to part of the bank loan. The loan repayment occur on a change in ownership of the Company.

The loans to the Shareholder are unsecured and interest free. Other loans include a secured loan of £1,700,000 due to McGovern Haulage Limited. These loans repayment occur on a change in ownership of the Company in January 2021.

9 TURNOVER	1st Jun 20 to 31st Dec 20	1st Jun 19 to 31st May 20
	£	£
An analysis of the Company's property income is as follows:		
Rental income	978,904	1,200,000
10 ADMINISTRATIVE EXPENSES	1st Jun 20 to 31st Dec 20	1st Jun 19 to 31st May 20
	£	£
Consultancy fees	9,000	36,000
Administration and accountancy fees	10,000	11,200
Legal and professional fees	-	4,259
Bank charges	122	159
Other administrative expenses	-	220
	19,122	51,838

DUAGH PROPERTY LIMITED**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE PERIOD ENDED 31ST DECEMBER 2020****11 INTEREST PAYABLE AND SIMILAR EXPENSES**

	1st Jun 20 to 31st Dec 20	1st Jun 19 to 31st May 20
	£	£
Bank loan interest payable	96,985	247,717
Other loan interest payable	51,300	17,784
Other interest - on overdue tax	-	227
	148,285	265,728

Refer to Note 8 in respect of the terms of the borrowings.

12 TAXATION

	1st Jun 20 to 31st Dec 20	1st Jun 19 to 31st May 20
	£	£
Current tax on net income on ordinary activities		
United Kingdom taxation	154,612	167,705
Deferred tax		
Origination and reversal of timing differences:		
- Non-current	8,187,559	-
Income tax	8,342,171	167,705

The table below shows the deferred tax recognised by the Company as at 31st December 2020 and 31st May 2020.

	1st Jun 20 to 31st Dec 20	1st Jun 19 to 31st May 20
	£	£
Deferred tax liability		
- Non-current	(8,187,559)	-

The deferred tax liability arose from the temporary difference between the fair value of the investment property and its tax base.

13 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

With effect from 29th January 2021, in the opinion of the Board of Directors of the Company, the immediate parent company is TransEuropean Prop2 S.à r.l. On the 19th July 2021, the parent entity change to London Logistics S.à r.l.

With effect from 29th January 2021, the ultimate controlling party is Patrizia AG, a company incorporated in Germany.

14 EMPLOYEES AND DIRECTORS

The Company had no employees during the period or the prior year.

DUAGH PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**FOR THE PERIOD ENDED 31ST DECEMBER 2020****15 RELATED PARTY DISCLOSURES**

A.T.J. Moll and R. Nulud are employees and M.J. Stockwell was an employee of Saltgate Limited. J.X. Withrington is an employee of Saltgate (UK) Limited. With effect from 29 January 2021, administrative and accounting services are provided to the Company by Saltgate Limited and its subsidiaries at commercial rates.

J.W. McGowan was an employee of Patrizia P.I.M. (Regulated) Limited and Patrizia PIM Limited which are two corporate members of Patrizia Property Investment Managers LLP ("PPIM LLP"). PPIM LLP is an entity that provides property related investment advisory services to the Company and its subsidiaries.

16 EVENTS AFTER THE END OF THE REPORTING PERIOD

Events after the end of the reporting period have been evaluated up to the date the financial statements were approved and authorised for issue by the Board of Directors of the Company and the following material events have occurred since the reporting date.

The land at Goat Road, Tramway Path and property at 1 Drake Road, Mitcham, London was valued at £52,702,603 as at 29th January 2021. The bank loan, loans to the Shareholder and the secured loan of £1,700,000 due to McGovern Haulage Limited were all repaid on 29th January 2021 with all charges being released.

On 29th January 2021, the Company acquired freehold property units known as Units 1, and 2 and 3 to 9 Willow Lane Industrial Estate, Mitcham, London for £12,000,000.

On 19th April 2021, the Company entered into a loan agreement for a loan amount of £28,193,481.66 as the Borrower and with the parent entity as the Lender. This loan has subsequently been reassigned to London Logistics S.à r.l. The amount due to the parent entity is unsecured, bears interest at a rate of 4.5% per annum and is repayable on the 6th anniversary of the Effective Date being the 29th January 2021. The Effective Date is defined as the date of the first drawdown on the loan.

On 19th July 2021, the parent entity changed to London Logistics S.à r.l. by way of a share transfer.