Aberdeen Standard European Logistics Income PLC

Capturing long-term income potential from logistics real estate in Europe

Annual Report
31 December 2020

DHL, Warsaw, Poland

Contents

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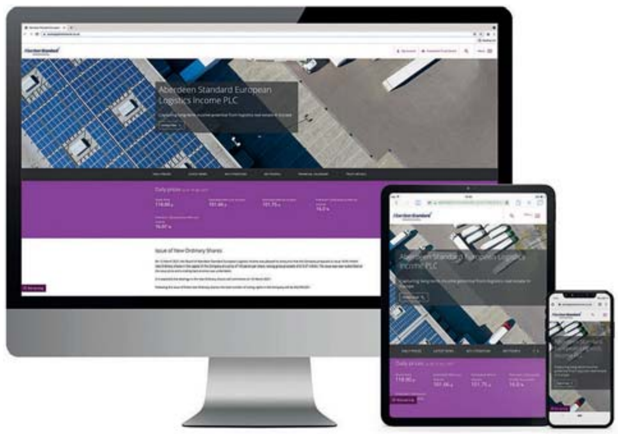
If you have sold or otherwise transferred all your Ordinary shares in Aberdeen Standard European Logistics Income PLC, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



Visit our Website

To find out more about Aberdeen Standard European Logistics Income PLC, please visit:
eurologisticsincome.co.uk

Any Questions?

If you should have any questions in relation to this Annual Report and financial statements please send them by email to: **European.Logistics@aberdeen-asset.com**

Company Overview

Aberdeen Standard European Logistics Income PLC (the "Company" or "ASELI") is an investment trust investing in high quality European logistics real estate to achieve its objective of providing its shareholders with a regular and attractive level of income and capital growth. The Company invests in a portfolio of assets diversified by both geography and tenant throughout Europe, targeting well located assets in established distribution hubs and within population centres.

In addition to its performance objective, the Company is characterised by:

- A diverse portfolio of assets across five countries
- A strengthening focus on ESG and green performance
- Investment predominantly in the more liquid mid-box segment of the logistics market
- Modest gearing parameters
- Durable indexed income returns
- Local ASI asset managers across Europe

Financial Highlights as at 31 December 2020

Measure	2020	2019
Net asset value total return[1]	13.6%	2019: 8.6%
Net Asset Value (€'000)	293,596	2019: 260,277
Net Asset Value per share (€)	1.20	2019: 1.11
Share price total return[1]	26.6%	2019: (7.0)%
Premium/(Discount) to Net Asset Value[1]	0.5%	2019: (4.0)%
Ordinary dividend per share	5.64¢	2019: 5.75¢[3]
Ongoing Charges[1]	1.3%	2019: 1.5%
IFRS Earnings Per Share	14.8¢	2019: 9.6¢
Portfolio valuation (€'000)[2]	425,248	2019: 348,519
Number of assets	14	2019: 13
Average lease length in years (excl breaks)	11.0	2019: 9.7
Loan-To-Value (%)	31.4%	2019:28.4%
Average building size (sqm)	27,710	

[1] Alternative Performance Measure - see glossary on page 115.
[2] Excluding IFRS 16 lease liabilities and rent incentive debtor.
[3] Included irregular dividend pattern following launch.

Chairman's Statement for the Year ended 31 December 2020

Tony Roper
Chairman

Dear Shareholder,

It is a pleasure to present to you the Company's third Annual Report in respect of the year ended 31 December 2020.

As I sat down to write my text this time last year with the whole world in the grip of COVID-19, little did I or my colleagues on the Board realise how long this terrible pandemic would last. Finally, with vaccine discovery and rollout, there is some light at the end of, what has been for many, a very long tunnel. Our thoughts are with all those who have been impacted by this virus which has had a far-reaching impact on so many people and businesses as well as the global economy. As I relayed last year, many of our tenants, but not all, are involved in the logistics of delivery across the important food supply chain, pharmaceuticals or the rapidly increasing direct to home delivery services. These are parts of the market which have seen extraordinarily fast growth, with little to suggest this is not a permanent shift.

Our Investment Manager's on-the-ground European based teams remain in regular contact with all our tenants seeking to understand their current and future requirements at this time.

Overview

As at 31 December 2020, the Company's property portfolio was independently valued at €430.2 million (£386.7 million) and consisted of 14 assets located across five European countries. This latest valuation included a strong 6.0% uplift of €24.5 million for Q4 2020. The Company's net asset value total return for the year was 13.6%. The valuation increase was predominantly the result of yield compression across the entire portfolio, driven by a combination of the strength of the European logistics real estate market alongside the high-quality nature of the Company's portfolio. This was best demonstrated through consistently high levels of rent collection during 2020 and this compares favourably with other real estate sectors which have been less resilient through COVID-19.

The latter part of 2020 saw a significant increase in the value of prime European logistics real estate assets let to high calibre tenants on long leases. Supply remains constrained and occupier demand for mid-size logistics buildings, which have the benefit of being suitable for an increasingly diverse range of occupiers, continues to strengthen. When combined with the buoyant investment market witnessed, this has driven tighter pricing in transactions, accelerating yield compression and increasing valuations.

In January 2020, the Company completed the acquisition of an urban logistics warehouse in Den Hoorn, the Netherlands, for a net purchase price of €49.9 million. The newly built warehouse is well located between the cities of the Hague and Rotterdam and already benefits from internal LED lighting and new solar roof panels will add further sustainable credentials to the investment in the course of 2021. This purchase meant that we were fully invested.

In Q4 2020, the Company announced that it had signed a Letter of Intent for the purchase of a new warehouse in Lodz, Poland, valued at approximately €28 million. The Investment Manager entered into advanced due diligence and closed the transaction on 15 April 2021. This 34,000 square metre warehouse, which is located in one of the CEE region's most strategically important manufacturing and logistics hubs, provides an attractive net initial yield of 5.6%, is well located and is 100% leased to six tenants with an average WAULT of 6.7 years.

Our Investment Manager, which has a clear advantage of being able to draw on the relationships and market knowledge of local teams across Europe, has consistently invested with the aim of creating a portfolio of assets diversified by both geography and tenant throughout Europe, targeting well-located assets in established distribution hubs and within close proximity of cities that have substantial labour pools and excellent transport links. Further details on the composition of the portfolio are provided in the Investment Manager's Report.

The Company continues with its objective of seeking to target for an investor at launch an annual yield of 5.0 per cent. per Ordinary Share and a total Shareholder return (NAV total return) of 7.5 per cent. per annum (each in Euro terms). The longer-term nature and CPI indexation of the leases that we have signed with tenants provides for a durability of income that should support our targets.

Results

The audited Net Asset Value ("NAV") per Share as at 31 December 2020 was €1.20 (GBp - 107.9p), compared with the NAV per Share of €1.11 (GBp - 94.2p) at the end of 2019, reflecting, with the interim dividends declared, a NAV total return of 13.6% for the year in euro terms (+20.0% in sterling).

The closing Ordinary Share price at 31 December 2020 was 108.5p (31 December 2019 – 90.4p), representing a small premium to NAV per Share of 0.5%. With dividends reinvested this represented a strong share price total return over the year of 26.6%. At the date of this report the latest closing price was 115.0p, predominantly reflecting the strong underlying performance of the Company's NAV and the continued demand from investors for exposure to the logistics sector and long dated indexed income.

Rent Collection / COVID-19

Economies across Europe and most business sectors have suffered from the long-running government enforced lockdowns that were witnessed in 2020 and to date.

As a result, the Investment Manager's on-the-ground real estate asset managers have had discussions with our tenants to understand their short-term financial difficulties. During Q2 2020, the Company successfully concluded negotiations with certain tenants negatively impacted by COVID-19. Following the conclusion of the quarter, the Company confirmed that it had agreed some short-term rent deferrals and some rent-free periods, in exchange for material lease extensions.

Overall, rent collection for the 2020 financial year was strong in that the Company collected 97% of the rent due with the 3% balance being subject to the above mentioned negotiations.

For Q1 2021, the Company collected 96% of rents due and it is pleasing to report that excluding Office Depot France, as discussed below, no further new requests for support have been received from tenants and rent collection remains good.

The Board, via the Investment Manager, continues to monitor closely rent collections, cash forecasts, loan covenants and the working practices of the Company's suppliers and the impact that COVID-19 has had on all stakeholders.

Tenant Update - Office Dépôt France

Office Dépôt France, the sole tenant occupying the Meung-sur-Loire asset in France, sought court protection and the appointment of an administrator on 5 February 2021. The property serves as the tenant's key national distribution hub, reflecting its strategic location in one of France's fastest-growing logistics regions.

As at 31 December 2020 the property was valued at €27.9 million, or 6.5% of the portfolio's gross asset value. The annual passing rent on the property represents 6.4% of the overall portfolio annual contracted rent. The warehouse has attractive qualities and is ideally located for national distribution just south of Orleans and close to main motorways towards Bordeaux/ Northern Spain and towards Marseille/ Lyon/ Toulouse. This location has grown in importance due to the lack of greenfield locations in and around Paris.

Whilst undertaking a sale process for the business, the administrator has indicated that rental payments should be made in respect of the period from the date of its appointment. The warehouse is an important part of the company's French distribution network. A small element of 2020 deferred rent and that for January 2021 remains payable, amounting in aggregate to €258,000 as previously announced. The Investment Manager continues to monitor the situation and assess options in the event the building becomes vacant.

Dividends

Unchanged first, second and third interim dividends in respect of the year ended 31 December 2020 of 1.41 euro cents (equivalent to 1.24p) per Ordinary Share were paid to Shareholders on 26 June 2020, 25 September 2020 and 30 December 2020 respectively.

On 24 February 2021 the Board declared a fourth interim dividend of 1.41 euro cents per Ordinary Share (equivalent to 1.24p) which was paid to Shareholders on 26 March 2021, making a total of 5.64 euro cents paid in respect of the financial year under review. The equivalent sterling rate paid was 4.96p per Share (2019 - 5.08p per Share).

It is the intention to continue to pay quarterly interim dividends in line with our policy. Dividends are declared in respect of the quarters ending on the following dates: 31 March, 30 June, 30 September and 31 December in each year. The dividend target and any dividend payment may be made up of both dividend income and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts. Further details on this breakdown can be found on page 18 of the published Annual Report for the year ended 31 December 2020.

Share Issuance

The Investment Manager reviews a steady pipeline of potential acquisitions for the Company for which additional capital will be required and for which the new banking agreement signed with Investec Bank (see below) may be used for temporary financing. On 26 June 2020 the Board announced the issue of five million new Ordinary shares at a price of 105 pence per share in response to specific investor demand which was followed on 4 August 2020 by the issue of a further five million new Ordinary shares at a price of 104 pence. These issues in aggregate raised an additional £10.45 million (equivalent to approximately €11.5 million) which contributed to the funding of the latest Polish property acquisition.

On 17 March 2021 the Company announced the further issue of 18.45 million new Ordinary shares in the capital of the Company at a price of 105 pence per share, representing a premium to the prevailing NAV and raising gross proceeds of £19.4 million (equivalent to approximately €22.6 million). The shares were issued under the remaining authority granted by shareholders at the AGM in 2020. The Issue was over-subscribed at the issue price and a scaling back process was undertaken. It was very pleasing to see the support shown from our existing shareholders as well as the introduction of some new names on the register. By utilising the total remaining issuance authority and the Company's €40 million loan facility, the Investment Manager has sufficient capital to fund its near-term acquisition pipeline. At the time of writing, the total number of shares in issue and therefore with voting rights in the Company is 262,950,001 shares.

Financing

Fixed term debt from banks is secured on certain assets or groups of assets within the portfolio. These non-recourse loans range in maturities between 4.4 and 8.2 years with interest rates ranging between 0.94% and 1.62% per annum.

In October the Company entered into a new uncommitted four year €40 million master facilities loan agreement (the "Facility") with Investec Bank plc. Under the Facility, the Company may make requests for drawdowns at selected short-duration tenors, as and when required, to fund acquisitions or for other liquidity requirements. Within the Facility, Investec also agreed to make available a £3.3 million committed revolving credit facility ("RCF") which will be carved out of the total €40 million limit of the Facility. The purpose of this RCF was partly to replace the Company's existing £6 million Société Generale overdraft facility and provide a small amount of committed liquidity with which to cover liquidity gaps.

The master facility agreement includes covenants of a type typical of such an agreement including: a maximum ratio in respect of the loan to adjusted eligible net asset value of 25%, maximum leverage ratio of 55% to gross asset value, a dividend yield test with the minimum dividend paid to loan value of 25% and a diversification test with a minimum number of five eligible investments.

This facility sits at the parent company level and will give added flexibility to the Company. The current average interest rate on the total fixed term debt arrangements of €144.6 million is 1.4%.

The Board continues to keep the level of borrowings under review with the aggregate borrowings always subject to the absolute maximum set at 50 per cent. of gross assets, calculated at the time of drawdown for a property purchase. Despite a target gearing level of 35%, the actual level of gearing may fluctuate over the Company's life as and when new assets are acquired or whilst short term asset management initiatives are being undertaken. At the year-end gearing was 31.4%. Banking covenants are reviewed by the Investment Manager on a regular basis and reported to the Board.

EPRA Index Inclusion

During the review period, it was pleasing to advise shareholders that effective from 22 June 2020 the Company gained inclusion in the FTSE EPRA/NAREIT Global Real Estate Index Series. This was welcome news and beneficial for the Company as any increase in the liquidity of the Ordinary shares helps further broaden the Company's investor base.

GRESB and Asset Management

The Investment Manager continues to focus on asset management initiatives, leveraging its network of locally based asset managers to enhance the value of the portfolio's assets. This includes continuing discussions around building extensions and improvements to sites both internally and externally for the benefit of tenants and their workforces.

I was very pleased to report towards the end of the year that in the delayed 2020 GRESB survey (Global Real Estate Sustainability Benchmark) the Company had been awarded four Green Stars out of a maximum of five. This compared to the previous two stars awarded in 2019.

The portfolio's GRESB score of 79/100 compares favourably against the 68/100 average score for the Western Europe Industrial Distribution Warehouse peer group, which contains nineteen funds.

This latest scoring reflects the progress made to date with regards to environmental, social and governance ("ESG") factors thanks to solar panel project initiatives, tenant satisfaction surveys, light sustainability audits and 100% data collection across the portfolio linked to Envizi which is used to analyse energy consumption. In addition, all buildings have LED lighting and the Investment Manager continues with plans to further enhance ESG credentials going forward. The Investment Manager obtains volumetric usage data on energy use, waste disposal and water consumption for reporting and possible cost savings.

ESG is embedded within the Investment Manager's investment process and although many of our assets are recently built, a programme of works continues to enhance areas where improvements can be made.

The addition of solar panels for green energy and other initiatives improved our scoring in the GRESB Survey and we continue to look at sustainability issues. Now more than ever the Investment Manager's people on the ground act as an important conduit to our tenants, seeking to maintain clear communication links to understand how they are operating, their concerns and their requirements for the future.

Sustainability is fundamental to our ability to create long-term value for all stakeholders and the Investment Manager has defined and continues to implement a strategy to support our sustainability targets for positive environmental and socio-economic impacts.

A section on ESG within the Investment Manager's report gives further clarity on the process and importantly the ESG Impact Dial which the Company continues to roll out.

Governance

The Company is a member of the Association of Investment Companies and seeks to follow best practice regarding appropriate disclosure.

In accordance with good governance, the Directors offered to meet with a number of our substantial Shareholders during the year to hear their views on the Company and its performance. Directors are available to meet with investors to discuss the Company in more detail throughout the year and may be contacted through the Company Secretary.

As travel restrictions ease, the Board will look to undertake another site visit to view more of the properties owned, meet with tenants where possible and members of local staff and advisers of the Investment Manager.

Following best practice, the whole Board is standing for re-election at the forthcoming AGM and further details on each Director may be found on pages 46 and 47.

Annual General Meeting

It is currently the Board's intention to hold the Company's Annual General Meeting in London on 7 June 2021 at 3:00 p.m. at the offices of Aberdeen Standard Investments, Bow Bells House, 1 Bread Street, London EC4M 9HH.

The formal Notice of AGM may be found on page 119.

At the time of writing, elements of the National Lockdown remain in place and shareholder attendance at AGMs is not legally permissible. It is very difficult to predict the extent, to which public gatherings will be relaxed in the near future. The AGM on 7 June 2021 will therefore, be a functional only AGM. In the light of the Government guidance and social distancing measures, including the restrictions on public gatherings, and the possibility that these measures will remain in place in June, the AGM will follow the minimum legal requirements for an AGM. Arrangements will be made by the Company to ensure that the minimum number of shareholders required to form a quorum will attend the meeting in order that the meeting may proceed and the business be concluded. The Board considers these arrangements to be in the best interests of shareholders given the current circumstances.

The Board strongly discourages shareholders from attending the AGM and entry will be refused if Government guidance so requires or if the Chairman considers it to be necessary. Instead, shareholders are encouraged to exercise their votes in respect of the meeting in advance. Any questions from shareholders may be submitted to the company secretary at: ***European.Logistics@aberdeen-asset.com****. The Board and/or the Investment Manager will seek to respond to all such questions received either before, or after the AGM. In addition the Company will be preparing a detailed presentation by the Investment Manager in advance of the AGM which will be available for viewing on the Company's website. We will notify shareholders of any changes to these plans by updating the Company's website at* ***eurologisticsincome.co.uk*** *and through an RIS announcement, where appropriate, as early as is possible before the date of the meeting.*

On behalf of the Board I should like to thank shareholders in advance for their co-operation and understanding.

Outlook

The level of activity seen in the logistics market in 2020 provided the latest endorsement of our strategy when launched in 2017. 2020 was a record year of occupier demand; according to Savills, European logistics take-up reached 26 million sqm during 2020, up 12% on the level observed during 2019 and 19% above the five-year average.

Logistics remains one of the most favoured real estate sectors for investors. The logistics industry has been a stand out performer benefitting from the unprecedented disruption caused by systemic changes to the way global economies function. Logistics assets have benefited from additional occupier demand arising from necessary supply chain restructuring and the rapid increase in demand for home deliveries.

Clients demand frequency and increasing complexity whilst the nature of e-commerce, where Europe lagged the UK, has required operators to adapt faster to future shifts in consumption, particularly so since the start of the pandemic. Including the latest acquisition in Lodz, Poland, we have a portfolio of fifteen assets, with an average size of 28,000 square metres, which are strategically located close to cities, airports and major motorway routes. These urban fringe facilities, while structured for our current tenants, tend to be in the more attractive part of the sector where building reconfiguration is easier and tenant demand strongest helping to provide facilities which have optionality at the maturity of a lease. Leasing 'tension' remains robust with land values under pressure from competing uses and with income growth prospects potentially stronger than for big-boxes where risk is higher at maturity of the lease as the number of potential occupiers are more limited and where replacement costs are more in line with capital costs.

Our tenants' businesses are generally well positioned in areas which remain essential to the everyday operation of an economy. E-commerce and the move to on-line shopping and delivery continues unabated. As Europe's economy starts to open up once again and the mass vaccination programmes allow for a return to some sort of 'normal', I am confident the fundamentals underpinning investment in logistics real estate should continue to drive further rental and capital growth which will translate into attractive returns for shareholders.

The Investment Manager's pipeline of logistics assets is regularly reviewed for quality of location and tenants, and the ability to ensure that they are future fit. We retain a strong conviction in our Investment Manager's strategy, which to date has delivered a high quality portfolio with strong sustainability credentials, the performance of which has allowed us to reward shareholders with an attractive and stable dividend. Looking forward, a clear priority is to grow the Company, albeit in a sensible and measured way, in order to enjoy the benefits that come with increased scale and liquidity.

The Board has been pleased by the strong level of rent collection through 2020, despite the global impact of the pandemic, and with the recent completion of the latest deal to purchase the 31,500 square metre warehouse in Lodz, Poland. Supported by the Board, the Investment Manager continues to evaluate a pipeline of quality assets that would diversify further our asset and tenant base and enable the Company to grow in line with our ambitions.

In December, we noted the proposed acquisition by Standard Life Aberdeen plc of 60% of Tritax Management. Tritax is a specialist logistics real estate fund manager with £5.1 billion assets under management throughout the UK and Europe. Due to the requirement to obtain regulatory approvals this transaction only completed on 1 April 2021. This regulatory approval process has delayed the Investment Manager from developing and implementing its plans for an integrated logistics team, and from having meaningful discussions with the Board. Now that the transaction has completed, these plans can be progressed and the Board looks forward to understanding how this will benefit the Company and its investment portfolio.

Further details about the Company and the assets in which it is invested are available together with the monthly factsheet and Company announcements on our website at: **www.eurologisticsincome.co.uk**.

Tony Roper
Chairman
28 April 2021

Den Hoorn, the Netherlands

Strategic Report

The Company is a UK investment trust with a premium listing on the Main Market of the London Stock Exchange. The Company invests in European logistics real estate to achieve its objective of providing its shareholders with a regular and attractive level of income return together with the potential for long term income and capital growth. The Company invests in a portfolio of assets diversified by both geography and tenant throughout Europe, predominantly targeting well-located assets at established distribution hubs and within population centres.

2017

The Company was launched on the London Stock Exchange in December 2017

Overview of Strategy

The Company

The Company is a UK investment trust with a premium listing on the Main Market of the London Stock Exchange. The Company invests in European logistics real estate to achieve its investment objective noted below.

The Company was incorporated in England and Wales on 25 October 2017 with registered number 11032222 and launched on 15 December 2017.

Investment Objective

The Company aims to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.

Investment Policy

The Company aims to deliver the investment objective through investment in, and management of, a diversified portfolio of "big box" logistics warehouses and "last mile" urban logistics assets in Europe.

The Company invests in a portfolio of assets diversified by both geography and tenant throughout Europe, predominantly targeting well-located assets at established distribution hubs and within population centres. In particular, the Investment Manager seeks to identify assets benefitting from long-term, index-linked, leases as well as those which may benefit from structural change, and will take into account several factors, including but not limited to:

- the property characteristics (such as location, building quality, scale, transportation links, workforce availability and operational efficiencies);
- the terms of the lease (focusing on duration, inflation-linked terms, the basis for rent reviews and the potential for growth in rental income); and
- the strength of the tenant's financial covenant.

The Company may forward fund the development of, or commit to the forward purchase of, new assets when the Investment Manager believes that to do so would enhance returns for shareholders and/or secure an asset at an attractive yield. The Company intends that forward funded or forward purchased assets will be wholly or predominantly pre-let at the time the investments are committed to.

Diversification of Risk

The Company manages its assets at all times in a manner which is consistent with the spreading of investment risk. The following investment limits and restrictions apply to the Company and its business which, where appropriate, are measured at the time of investment:

- the Company only invests in assets located in Europe;
- no more than 50 per cent. of Gross Assets may be concentrated in a single country;
- no single asset may represent more than 20 per cent. of Gross Assets;
- forward funded commitments must be predominantly pre-let and the Company's overall exposure to forward funded commitments is limited to 20 per cent. of Gross Assets;
- the Company's maximum exposure to any single developer is limited to 20 per cent. of Gross Assets;
- the Company will not invest in other closed-ended investment companies;
- the Company may only invest in assets with tenants which have been classified by the Investment Manager's investment process as having strong financial covenants; and
- no single tenant may represent more than 20 per cent. of the Company's annual gross income measured annually.

The Company is not required to dispose of any asset or to rebalance the Portfolio as a result of a change in the respective valuations of its assets.

The Company conducts its affairs so as to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010.

Borrowing and Gearing

The Company employs gearing with the objective of improving shareholder returns. Debt is typically secured at the asset level and potentially at the Company level with or without a charge over some or all of the Company's assets, depending on the optimal structure for the Company and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles.

Borrowings are typically non-recourse and secured against individual assets or groups of assets and the aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. Where borrowings are secured against a group of assets, such group of assets shall not exceed 25 per cent. of Gross Assets in order to ensure that investment risk remains suitably spread.

The Board has established gearing guidelines for the Alternative Investment Fund Manager ("AIFM") in order to maintain an appropriate level and structure of gearing within the parameters set out above. Under these guidelines, the Investment Manager seeks to maintain aggregate asset level borrowings at or around 35% of Gross Asset Value. These limits may be exceeded in the short term from time to time particularly through the use of short term financing facilities as the Investment Manager seeks to manage certain aspects of the portfolio, including, for example, building extensions.

The Board will keep the level of borrowings under review. In the event of a breach of the investment guidelines and restrictions set out above, the AIFM will inform the Board upon becoming aware of the same, and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service and the AIFM will look to resolve the breach with the agreement of the Board. The Directors may require that the Company's assets are managed with the objective of bringing borrowings within the appropriate limit while taking due account of the interests of shareholders. Accordingly, corrective measures may not have to be taken immediately if this would be detrimental to shareholders' interests.

Any material change to the Company's investment policy set out above will require the approval of shareholders by way of an ordinary resolution at a general meeting and the approval of the Financial Conduct Authority. Non-material changes to the investment policy may be approved by the Board.

Comparative Index

The Company does not have a benchmark.

Duration

Although the Company does not have a fixed life, under the Company's articles of association the Directors are required to propose an ordinary resolution for the continuation of the Company at the Annual General Meeting to be held in 2025 and then every third year thereafter.

Manager

Under the terms of the Management Agreement, the Company has appointed Aberdeen Standard Fund Managers Limited as the Company's alternative investment fund manager for the purposes of the AIFM Rules. The AIFM has delegated portfolio management to the Amsterdam Branch of Aberdeen Standard Investments Ireland Limited which acts as Investment Manager.

Pursuant to the terms of the Management Agreement, the AIFM is responsible for portfolio and risk management on behalf of the Company and will carry out the on-going oversight functions and supervision and ensure compliance with the applicable requirements of the AIFM Rules. The AIFM and the Investment Manager are both legally and operationally independent of the Company.

Dividend Policy

Subject to compliance with all legal requirements the Company pays interim Sterling dividends on a quarterly basis. The Company declares dividends in Euros, but shareholders will receive dividend payments in Sterling. If applicable, the date on which the Euro/Sterling exchange rate is set will be announced at the time the dividend is declared. Distributions made by the Company may take the form of either dividend income or "qualifying interest income" which may be designated as interest distributions for UK tax purposes.

The Company targets an annual yield of 5.0 per cent. per Ordinary Share for an investor at launch whilst continuing to aim for a total NAV return of 7.5 per cent. per annum (each in Euro terms).

Key Performance Indicators (KPIs)

The Board uses a number of financial performance measures to assess the Company's success in achieving its objective and to determine the progress of the Company in pursuing its Investment Policy. The main KPIs identified by the Board in relation to the Company, which are considered at each Board meeting, are as follows:

KPI	Description
NAV Return (per share)[1]	The Board considers the Company's NAV total return to be the best indicator of performance over time and is therefore the main indicator of performance used by the Board. Performance for the year and since inception is set out on page 18 and 19. The Company is targeting, for an investor in the Company at launch, a total NAV return of 7.5 per cent. per annum (in € terms).
Share Price (on a total return basis)[1]	The Board also monitors the price at which the Company's shares trade on a total return basis over time. A graph showing the share price performance is shown on page 19.
Premium/(Discount)[1]	The premium/(discount) relative to the NAV per share represented by the share price is closely monitored by the Board. A graph showing the share price (discount)/premium relative to the NAV is shown on page 19.
Dividends per Share	The Board's aim is to pay a regular quarterly dividend enabling shareholders to rely on a consistent stream of income. Dividends paid are set out on page 18. The Company is targeting, for an investor in the Company at launch, an annual dividend yield of 5.0 per cent. per Ordinary Share (in € terms).
Ongoing Charges Ratio ("OCR")[1]	The OCR is the ratio of expenses as a percentage of average daily shareholders' funds calculated in accordance with the industry standard. The Board reviews the OCR regularly as part of its review of all expenses. The aim is to ensure that the Company remains competitive and is able to deliver on its yield target to Shareholders. The Company's OCR is disclosed on page 18.

[1] Alternative Performance Measure - see glossary on page 115.

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. The Board has carried out a robust assessment of the principal risks set out in the table below and overleaf together with a description of the mitigating actions taken by the Board. The Board confirms that it has a process in place for regularly reviewing emerging risks that may affect the Company in the future. The Board collectively discusses with the Investment Manager areas where there may be emerging risk themes and maintains a register of these. Such risks may include, but are not limited to, future pandemics, negative interest rates and climate change. In the event that an emerging risk has gained significant weight or importance, that risk is categorised and added to the Company's risk register and is monitored accordingly. The principal risks associated with an investment in the Company's shares can be found in the Company's latest Prospectus dated 5 July 2019, published on the Company's website.

The Board continues to monitor the impact of the UK's departure from the EU ("Brexit") which became effective on 31 January 2020. Following the expiry of the transition period on 1 January 2021 the Board and Manager do not believe that there will be a significant short to medium term impact on the Company from Brexit but will continue to monitor the longer term impact and associated trends. Further details on the impact of Brexit are disclosed in note 25 to the financial statements.

The Board has kept the risks related to the Covid-19 pandemic under regular review throughout the year and subsequently. The impact of the pandemic on markets continues to affect the Company and its tenants due to the ongoing disruption of supply chains and changes in demand for products and services, increased costs and potential cash flow issues. The pandemic has significantly impacted world markets as well as creating uncertainty around future dividend payments. However, the Board notes the Investment Manager's robust and disciplined investment process which continues to focus on asset quality. The pandemic has also impacted the Company's third party service providers, with business continuity and home working plans having been implemented. The Board, through the Investment Manager, has been closely monitoring all third party service arrangements and is pleased to report that it has not seen any reduction in the level of service provided to the Company to date. In all other respects, the Company's principal risks and uncertainties have not changed materially since the date of the Annual Report and are not expected to change materially for the current financial year.

Description	Mitigating Action
Strategic Risk: Strategic Objectives and Performance - The Company's strategic objectives and performance, both absolute and relative, become unattractive to investors leading to a widening of the discount, potential hostile shareholder actions and the Board fails to adapt the strategy and/or respond to investor demand.	• The Company's strategy and objectives are regularly reviewed by the Board to ensure they remain appropriate and effective. • The Board receives regular presentations on the economy and also the property market to identify structural shifts and threats so that the strategy can be adapted if necessary. • There is regular contact with shareholders both through the Investment Manager and the broker with additional direct meetings undertaken by the Chairman and other Directors. • Board reports are prepared by the Investment Manager detailing performance, NAV return and share price analysis versus peers. • Cash flow projections are prepared by the Investment Manager and reviewed quarterly by the Board. • Shareholder/market reaction to Company announcements is monitored.
Investment and Asset Management Risk: Investment Strategy - Poorly judged investment strategy, regional allocation, use of gearing, inability to deploy capital and the mis-timing of disposals and acquisitions, resulting in poor investment returns.	• ASI has real estate research teams which provide performance forecasts for different sectors and regions. • There is a team of experienced portfolio managers who have detailed knowledge of the markets in which they operate. • ASI has a detailed investment process for both acquisitions and disposals that require to be signed off internally before the Board reviews any final decision. • The Board is very experienced with Directors having a knowledge of property markets.

Description	Mitigating Action
Investment and Asset Management Risk: Developing and refurbishing property - Increased construction costs, construction defects, delays, contractor failure, lack of development permits, environmental and third party damage can all impact the resulting capital value and income from investments.	• ASI has experienced investment managers with extensive development knowledge with in-depth research undertaken on each acquisition/ development. • Development contracts are negotiated by experienced teams supported by approved lawyers. • Due diligence is undertaken on developers including credit checks and current pipelines. • Construction and risk insurance checked. • Post completion the developer is responsible for defects and monies are held in escrow for a period of time after handover.
Investment and Asset Management Risk: Health and Safety - Failure to identify and mitigate major health & safety issues or to react effectively to an event leading to injury, loss of life, litigation and any ensuing financial and reputational impact.	• For new properties health and safety is included as a key part of due diligence. • Asset managers visit buildings on a regular basis. • Property managers are appointed by ASI to monitor health & safety in each building and reports are made to the asset managers on a monthly basis. • Asset managers visit each building at least twice a year. • Tenants are responsible for day to day operations of the properties.
Investment and Asset Management Risk: Environment - Properties could be negatively impacted by hazardous materials (for example asbestos or other ground contamination) or an extreme environmental event (e.g. flooding) or the tenants' own operating activities could create environmental damage. Failure to achieve environmental targets could adversely affect the Company's reputation and result in penalties and increased costs and reduced investor demand. Legislative changes relating to sustainability could affect the viability of asset management initiatives.	• The Investment Manager undertakes in depth research on each property acquisition with environmental surveys and considers its impact on the environment and local communities. • The Investment Manager has adopted a thorough environmental policy which is applied to all properties in the portfolio. • Experienced advisers on environmental, social and governance matters are consulted both internally (within the Investment Manager) and externally where required.
Financial Risks: Macroeconomic - Macroeconomic changes (e.g. levels of GDP, employment, inflation, interest rate and FX movements), political changes (e.g. new legislation) or structural changes (e.g. new technology or demographics) negatively impact commercial property values and the underlying businesses of tenants (market risk and credit risk). Falls in the value of investments could result in breaches of loan covenants and solvency issues.	• ASI Research teams take into account macroeconomic conditions when collating forecasts. This research is fed into Investment Manager decisions on purchases/sales and regional allocations. • The portfolio is EU based and diversified across a number of different countries and also has a diverse tenant base seeking to minimise risk concentration. • There is a wide range of lease expiry dates within the portfolio in order to minimise re-letting risk. • The Company has no exposure to speculative development and forward funding is only undertaken where the development is predominantly pre-let. • Rigorous portfolio reviews are undertaken by the Investment Manager and presented to the Board on a regular basis. • Annual asset management plans are developed for each property and individual investment decisions are subject to robust risk versus return evaluation and approval.

Description	Mitigating Action
Financial Risks: Gearing - Gearing risk - an inappropriate level of gearing, magnifying investment losses in a declining market, could result in breaches of loan covenants and threaten the Company's liquidity and solvency. An inability to secure adequate borrowing with appropriate tenor and competitive rates could also negatively impact the Company.	• Regular covenant reporting to banks is undertaken as required. • The gearing target is set at an indicative 35% asset level limit and an absolute Company limit of 50%. • The Company's diversified European logistics portfolio, underpinned by its tenant base, should provide sufficient value and income in a challenging market to meet the Company's future liabilities. • The portfolio has attracted very competitive terms and interest rates from lenders for the Company's loan facilities. • The Investment Manager has relationships with multiple funders and wide access to different sources of funding on both a fixed and variable basis. • Financial modelling is undertaken and stress tested annually as part of the Company's viability assessment and whenever new debt facilities are being considered. • Loan covenants are continually monitored and reported to the Board on a quarterly basis and would also be reviewed as part of the disposal process of any secured property.
Financial Risks: Liquidity Risk and FX Risk - The inability to dispose of property assets in order to meet financial commitments of the Company or obtain funds when required for asset acquisition or payment of expenses or dividends. Movements in foreign exchange and interest rates or other external events could affect the ability of the Company to pay its dividends.	• The diversified portfolio is geared towards a favoured sector. • A cash buffer is maintained and an overdraft facility is currently in place. • Investment is focused on mid-sized properties which is considered the more liquid part of the sector.
Financial Risks: Credit Risk - Credit Risk – the risk that the counterparty will be unable or unwilling to meet a commitment entered into by the Group: failure of a tenant to pay rent or failure of a deposit taker, future lender or a current exchange rate swap counterparty.	• The property portfolio has a balanced mix of generally good quality tenants and reflects diversity across business sectors. • Rigorous due diligence is performed on all prospective tenants and their financial performance continues to be monitored during their lease. • Rent collection from tenants is closely monitored so that early warning signs might be detected. • Deposits are spread across various ASI approved banks and AAA rated liquidity funds. • The assets of the Company are denominated in a non-sterling currency, predominantly the Euro. No currency hedging is planned for the capital, but the Board periodically reviews the hedging of dividend payments having regard to availability and cost.
Financial Risks: Insufficient Income Generation - Insufficient income generation due to macro-economic factors including the current COVID-19 pandemic, and/or due to inadequate asset management resulting in long voids or rent arrears or insufficient return on cash; dividend cover falls to a level whereby the dividend needs to be cut and/or the Company becomes unattractive to investors. Level of ongoing charges becomes excessive.	• At regular Board meetings forecast dividend cover is considered. There is regular contact with the broker and shareholders to ascertain, where possible, views on dividend cover. The Investment Manager seeks a good mix of tenants in properties. • A review of tenant risk and profile is undertaken using, for example, the Dun & Bradstreet Failure Scoring method and tenant covenants are thoroughly considered before a lease is granted. • The ASI team consists of asset managers on the ground who undertake asset management reviews and implementation and there is a detailed approval process within ASI for lettings.

Description	Mitigating Action
Regulatory Risks: Compliance - The regulatory, legal and tax environment in which the Company's assets are located is subject to change and could lead to a sub-optimal corporate structure and result in increased tax charges or penalties.	• The Company has an experienced Company Secretary and engages lawyers who will advise on changes once any new proposals are published. There is regular contact with tax advisers in relation to tax computations and transfer pricing. • Directors have access to updates on relevant regulatory changes through the Company's professional advisers. • The highest corporate governance standards are required from all key service providers and their performance is reviewed annually by the Management Engagement Committee.
Operational Risks: Service Providers - Poor performance/inadequate procedures at service providers leads to error, fraud, non-compliance with contractual agreements and/or with relevant legislation or the production of inaccurate or insufficient information for the Company (NAV, Board Reports, Regulatory Reporting) or loss of regulatory authorisation. Key service providers include the AIFM, Company Secretary, the Depositary, the Custodian, the managing agents and the Company's Registrar.	• ASI have an experienced Investment Manager and Property Administration Team. • The Company has engaged an experienced registrar: Equiniti is a reputable worldwide organisation. • All service providers have a strong control culture that is regularly monitored. • ASI aim to meet all service providers once a year and the Management Engagement Committee reviews all major service providers annually. • The Company has the ability to terminate contracts.
Operational Risks: Business continuity - Business continuity risk to any of the Company's service providers or properties, following a catastrophic event e.g. pandemic, terrorist attack, cyber attack, power disruptions or civil unrest, leading to disruption of service, loss of data etc.	• ASI has a detailed business continuity plan in place with a separate alternative working office if required and the ability for the majority of its workforce to work from home. • ASI has a dedicated Chief Information Security Officer who leads the Chief Information Security Office (including the following functions: Security Operations & Delivery, Security Strategy, Architecture & Engineering, Data Governance & Privacy, Business Resilience, Governance & Risk (Security & IT). • Properties within the portfolio are all insured. • The IT environment of service providers is reviewed as part of the initial appointment and on an ongoing basis.

Promoting the Company

The Board recognises the importance of promoting the Company to prospective investors both for improving liquidity and enhancing the value and rating of the Company's shares. The Board believes an effective way to achieve this is through subscription to, and participation in, the promotional programme run by ASI on behalf of a number of investment trusts under its management. The Company's financial contribution to the programme is matched by ASI. The management team reports quarterly to the Board giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the make up of that register.

The purpose of the programme is both to communicate effectively with existing shareholders and to gain new shareholders with the aim of improving liquidity and enhancing the value and rating of the Company's shares. Communicating the long-term attractions of the Company is key and therefore the Company also supports the ASI's investor relations programme which involves regional roadshows, promotional and public relations campaigns.

Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow the Board to fulfil its obligations. The Board also recognises the benefits and is supportive of the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, race, sexual orientation, religion, ethnic or national origins, or disability in considering the appointment of its Directors. However, the Board will continue to ensure that any future appointments are made on the basis of merit against the specification prepared for each appointment and, therefore, the Company does not consider it appropriate to set diversity targets. At 31 December 2020, there were two male Directors and two female Directors on the Board.

Socially Responsible Investment Policy

Further details on the socially responsible investment policies adopted by the AIFM are disclosed on page 38.

Environmental, Social and Human Rights Issues

The Company has no employees as the Board has delegated day to day management and administrative functions to Aberdeen Standard Fund Managers Limited. There are therefore no disclosures to be made in respect of employees. The Company's socially responsible investment policy is outlined in the Investment Manager's Review.

Due to the nature of the Company's business, being a Company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 ("MSA"). In addition the Company's turnover is below the threshold of £36 million. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

A copy of the Manager's statement in compliance with the MSA 2015 is available for download at **www.aberdeenstandard.com/**

Emissions relating to properties owned by the Company are the responsibility of the tenants and any emissions relating to the Company's registered office are the responsibility of the Standard Life Aberdeen Group. The Company therefore has no greenhouse gas emissions to report from the operations of its business, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Viability Statement

The Company does not have a formal fixed period strategic plan but the Board formally considers risks and strategy at least annually. The Board considers the Company, with no fixed life, to be a long term investment vehicle, but for the purposes of this viability statement has decided that a period of three years is an appropriate period over which to report. The Board considers that this period reflects a balance between looking out over a long term horizon and the inherent uncertainties of looking out further than three years.

In assessing the viability of the Company over the review period the Directors have conducted a robust review of the principal risks focussing upon the following factors:

- The principal risks detailed in the Strategic Report;
- The ongoing relevance of the Company's investment objective in the current environment;
- The demand for the Company's shares evidenced by the historical level of premium or discount;
- The level of income generated by the Company;
- The level of gearing including the requirement to negotiate new facilities and repay or refinance future facilities; and
- The flexibility of the Company's bank facilities and putting these facilities in place in time to meet commitments.

The Directors have reviewed summaries from the portfolio models prepared by the Investment Manager which have been stress tested to highlight the performance of the portfolio in a number of varying economic conditions coupled with potential opportunities for mitigation. The Directors have also stress tested the financial position of the Company with attention on the economic impact of COVID-19, and particularly the sales process more recently undertaken by the administrator of Office Depot in France. The COVID-19 pandemic impacted the Company during 2020 through a small reduction in rental income which the Investment Manager mitigated by negotiating rent deferrals and rent free periods granted in exchange for material lease extensions.

The Company has prepared cash flow forecasts which reflect the potential impact of further reductions in rental income due to COVID-19, including reasonably possible downside scenarios. The impact of reductions in rental income could be mitigated through a reduction in dividends to shareholders if considered necessary by the Board.

The Company has modelled severe but plausible downside scenarios, taking into account specific tenant risks. These scenarios modelled reduced rental income through to 2023 and the worst case model equates to an overall 20% reduction of rental income per annum over that period.

Accordingly, taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of three years from the date of this Report. In making this assessment, the Board has considered that matters such as significant economic uncertainty, stock market volatility and changes in investor sentiment could have an impact on its assessment of the Company's prospects and viability in the future.

s172 Statement

The Board is required to describe to the Company's shareholders how the Directors have discharged their duties and responsibilities over the course of the financial year under section 172 (1) of the Companies Act 2006 (the "s172 Statement"). This s172 Statement requires the Directors to explain how they have promoted the success of the Company for the benefit of its members as a whole, taking into account the likely long term consequences of decisions, the need to foster relationships with all stakeholders and the impact of the Company's operations on the environment.

The Board's philosophy is that the Company should operate in a transparent culture where all parties are treated with respect and provided with the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board reviews the culture and manner in which the Investment Manager operates at its regular meetings and receives regular reporting and feedback from the other key service providers.

Investment trusts are long-term investment vehicles, with a recommended holding period of five or more years with no employees. The Company's Board of Directors sets the investment mandate as published in the most recent prospectus, monitors the performance of all service providers and is responsible for reviewing strategy on a regular basis.

The key service provider for the Company is the Alternative Investment Fund Manager (the "Manager") and this relationship is reviewed at each Board meeting and relationships with other service providers are reviewed at least annually. Shareholders are seen as key stakeholders in the Company. The Board seeks to meet at least annually with shareholders at the Annual General Meeting. This is seen as a very useful opportunity to understand the needs and views of the shareholders. In between AGMs the Directors and Investment Manager also conduct programmes of investor meetings with larger institutional, private wealth and other shareholders to ensure that the Company is meeting their needs. Such regular meetings may take the form of joint presentations with the Investment Manager or meetings solely with a Director where any matters of concern may be raised directly.

The other key stakeholder group is that of the underlying tenants that occupy space in the properties that the Company owns. The Board aims to conduct a site visit at least annually with the aim of meeting tenants locally and discussing their businesses and needs and assessing where improvements may be made or expectations managed. The Investment Manager's asset managers are tasked with conducting meetings with building managers and tenant representatives in order to ensure the smooth running of the day to day management operations of the properties. The Board receives reports on the tenants' activities at its regular Board meetings. The Board via the Management Engagement Committee also ensures that the views of its service providers are heard and at least annually reviews these relationships in detail. The aim is to ensure that contractual arrangements remain in line with best practice, services being offered meet the requirements and needs of the Company and performance is in line with the expectations of the Board, Manager, Investment Manager and other relevant stakeholders. Reviews will include those of the Company depositary, custodian, share registrar, broker, legal adviser and auditor.

During the COVID-19 lock downs the Board and the Investment Manager have continued to work effectively from home under the government guidelines and with regular reporting the Board has continued to have oversight of the Company's service providers and their continued operations during this period.

The Investment Manager's Report on pages 23 to 27 details the key investment decisions taken during the year and subsequently. The Investment Manager has continued to invest the Company's assets in accordance with the mandate provided by shareholders at launch, under the oversight of the Board. During the year further gearing was introduced into the portfolio with the aim of maintaining gearing at asset level at or around 35% over the longer term. The management team has been successful in negotiating the debt facilities at competitive market rates, resulting in the Company's blended all-in interest rate across all its debt being 1.4% which is to the benefit of all shareholders. In October 2020 the Board announced that the Company had entered into a new uncommitted four year €40 million master facilities loan agreement with Investec Bank plc. Shareholders are keen for the Company to grow its asset base and the new facility has increased the Company's flexibility to acquire new assets prior to any fresh equity raise and will reduce the impact of cash drag on investment returns.

Details of how the Board and Investment Manager have sought to address environmental, social and governance matters across the portfolio are disclosed on pages 38 to 44.

The Company is still in its infancy having been launched at the end of 2017. However, it is a long term investor and the Board has established the necessary procedures and processes to promote the long term success of the Company. The Board will continue to monitor, evaluate and seek to improve these processes as the Company grows, to ensure that the investment proposition is delivered to shareholders and other stakeholders in line with their expectations.

Future

Many of the non-performance related matters likely to affect the Company in the future are common across all closed ended investment companies, such as the current COVID-19 pandemic and its impact, the attractiveness of investment companies as investment vehicles, and the impact of regulatory changes. These factors need to be viewed alongside the outlook for the Company, both generally and specifically, in relation to the portfolio. The Board's view on the general outlook for the Company can be found in my Chairman's Statement on pages 6 and 7 whilst the Investment Manager's views on the outlook for the portfolio are included on page 27.

Tony Roper
Chairman

28 April 2021

The ways we engage with our shareholders include:

The AGM normally provides an opportunity for directors to engage with shareholders, answer their questions and meet them informally. The 2021 AGM is currently scheduled to take place on 7 June 2021 in London. Although shareholders are unlikely to be able to attend in person this year, we encourage shareholders to vote by proxy on all the resolutions put forward and to submit any questions in advance of the meeting by email at **European.Logistics@aberdeen-asset.com**.

Annual Report

We publish a full annual report each year that contains a strategic report, governance section, financial statements and additional information. The report is available online and in paper format.

Company Announcements

We issue announcements for all substantive news relating to the Company, including the purchase and sale of properties. You can find these announcements on the website.

Results Announcements

We release a full set of financial and operational results at the interim and full year stage. Updated net asset value figures are announced on a quarterly basis in line with our valuation policy.

Website

Our website contains a range of information on the Company and includes details of our property investments. Details of financial results, the investment process and Manager and Investment Manager together with Company announcements and contact details can be found here: **eurologisticsincome.co.uk**

Results

Financial Highlights

	31 December 2020	31 December 2019
Total assets (€'000)	484,104	382,981
Total equity shareholders' funds (net assets) (€'000)	293,596	260,277
Net asset value per share (euros)	1.20	1.11
Net asset value per share (pence)	107.95	94.21
Share price (mid market) (pence)	108.50	90.40
Market capitalisation (£'000)	265,283	211,988
Share price premium / (discount) to sterling net asset value[1]	0.5%	(4.0)%
Dividends and earnings		
Net asset value total return per share (€)[1]	13.6%	8.6%
Dividends paid per share	5.64c (4.96p)	5.75c (5.11p)
Revenue reserves (€'000)	11,720	7,471
Gain/(Loss) (€'000)	35,389	19,429
Operating costs		
Ongoing charges ratio (Group only expenses)[1]	1.3%	1.5%
Ongoing charges ratio (Group and property expenses)[1]	1.6%	1.7%

Performance (total return)

	Year ended 31 December 2020	Since Launch % return
Share price[1]	26.6%	22.5%
Net Asset Value (EUR)[1]	13.6%	19.5%

[1] Considered to be an Alternative Performance Measure (see Glossary on page 115 for more information).

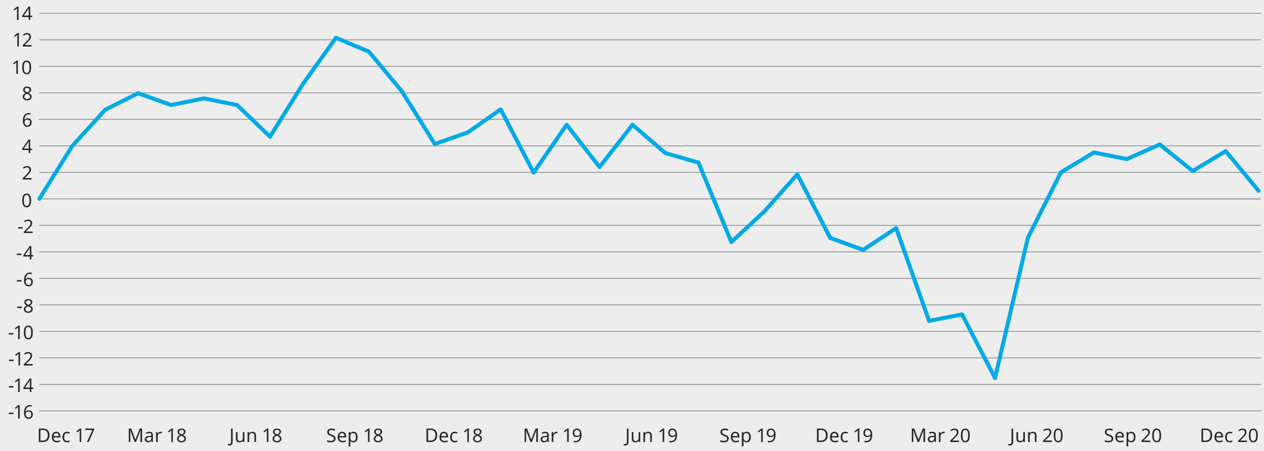
Dividends declared in respect of the Financial Year to 31 December 2020 (pence)

	Dividend Distribution	Qualifying Interest	xd date	Record date	Payment date
First Interim	1.05	0.19	04/06/2020	05/06/2020	26/06/2020
Second Interim	0.93	0.31	03/09/2020	04/09/2020	25/09/2020
Third Interim	0.73	0.51	03/12/2020	04/12/2020	30/12/2020
Fourth Interim	0.80	0.44	04/03/2021	05/03/2021	25/03/2021
Total	**3.51**	**1.45**			

Performance

Share Price Premium/(Discount) to Net Asset Value

Launch to 31 December 2020[1]

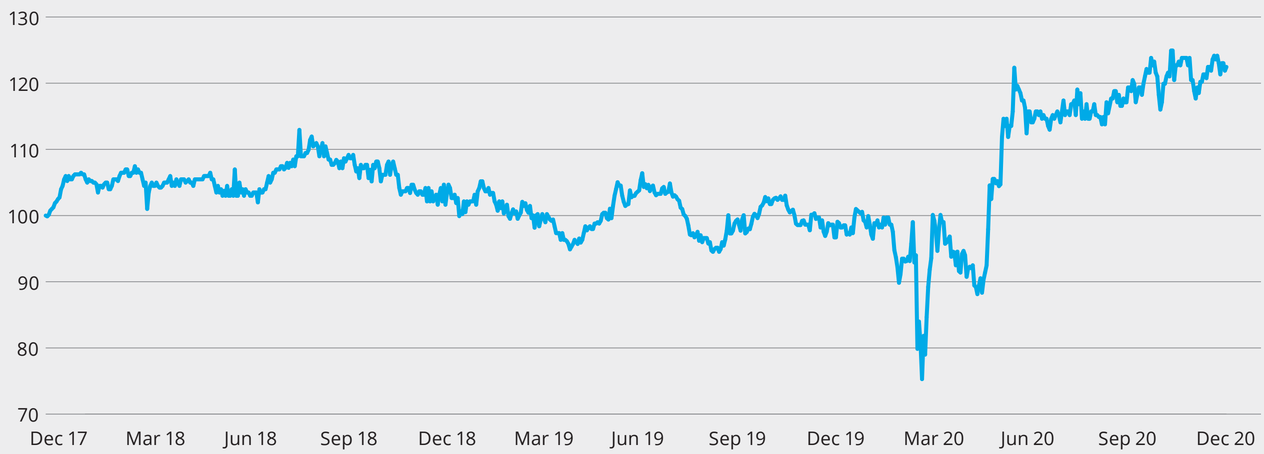


Source: Aberdeen Standard Investments, Factset.

[1] Using the daily share prices together with the quarterly NAVs as announced by the Company as data points.

Share Price Total Return

Launch to 31 December 2020 (rebased to 100 at launch)



Source: Aberdeen Standard Investments, Factset.

Our Unique Selling Points

Aberdeen Standard European Logistics Income PLC was launched in December 2017 and has already built a strategic position in the real estate market that the Board and Investment Manager believe will deliver the investment objective to shareholders over the longer term.

Our main USPs are listed below:

1 The Investment Manager has local teams on the ground that know the market

The property business is a local business. You have to speak the local language and have a network with brokers, developers, investors and owner-occupiers to find the best deals at the right price. Aberdeen Standard Investments is the second largest real estate investor in Europe with over £24.7 billion of real estate under management. ASI have local boots on the ground with over 280 real estate professionals in 17 offices with expertise in fund management, research, transactions, asset management, financing and other specialist property activities.

2 Investing in the most liquid mid-box and strong growth segment of urban logistics

Durability of income stream is key for an income driven strategy. The Investment Manager looks beyond the length of the lease contract to see if a warehouse has a second life after the lease matures. The mid-box section of the market, with building sizes reaching up to a maximum of 50,000 square metres, is where most of the leasing activity takes place providing us with options in the future. This means we operate in a more liquid area of the sector than the ultra 'big-box' part of the market where options may be more limited. Equally from a disinvestment perspective there will be limited numbers of potential investors who can take on these larger investment volumes. Urban logistics is where we have highest growth expectations. An urbanisation trend across Europe and the competition for shorter and shorter delivery times amongst parcel delivery specialists has created a high demand for land resulting in higher land prices and stronger rental growth.

3 A well-diversified, high quality portfolio with long indexed leases to tenants

Durability of income streams will be achieved by selecting the right warehouses in the right locations. The Company now has fifteen buildings in the portfolio (following the recent Polish purchase completed after the financial year end), of which nine are new builds, in five European countries with 41 tenants providing good risk diversification. All buildings in the portfolio are located alongside main transport corridors where you would expect to find more logistics activity. All buildings have modern specifications in terms of free height, floor load capacity, number of loading doors and yard depth, all features that are relevant for logistics operators nowadays that will provide us with options at lease end. Average lease length is more than 8 years (including breaks) and all have indexed leases to tenants who at the time of acquisition or build completion had appropriately strong covenants.

4 Stock-pickers with a preference for the European Continent

This is a Continental Europe strategy with a very clear focus on the European Continent and not the UK. There are several reasons for this. First of all, property prices are generally more attractive on the Continent with higher yields. Also financing costs are much lower further boosting the potential income return. And thirdly, a standard lease agreement on the Continent typically has full CPI indexation of the rent every year whereas rents in the UK may be subject to regular review and negotiation.

5

ESG is embedded in the investment philosophy resulting in 4/5 GRESB Stars

Aberdeen Standard Investments, as a management house, has the ambition to become carbon neutral by 2050. As an investment company the Company has a clear focus on improving the green performance of our buildings by working closely together with the property managers and tenants. One of the key focuses is the implementation of solar panels on the roofs of our buildings which are now on several of our warehouses. The Company, through ASI, is in the process of implementing a unique ESG Impact Dial and is taking the first steps in describing a path to zero carbon emission. The progress being made is clearly reflected in the 2020 GRESB survey with a score of 4 out of a maximum 5 green stars.

6

Modest gearing with attractive all-in costs

The Company has a modest long-term target Loan-To-Value ratio (LTV) of c. 35% at Fund level, with a current LTV of 31% (as at 31 December 2020). The maximum LTV is 50% at the time of drawdown but the level of LTV may fluctuate through the use of shorter term loan facilities and in advance of cash raises allowing the Company to commit to further opportunities as they arise. All-in costs of the current loan portfolio are 1.36%.

7

Low investment management fees

The investment management fee is set at a competitive rate of 75 basis points of NAV up to €1.25 billion which will drop to 60 basis points above this.

2020 Accomplishments

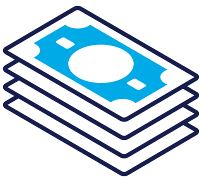
A focus on ESG and tenant relations through COVID-19

2020 was characterised by the COVID-19 pandemic and concerns over the impact on the tenants in our portfolio; their people and their underlying businesses. Together we have managed to find solutions that worked for all parties, further enhancing our understanding and long-term client relationships. The ambition to grow the Company was impacted in the first half of 2020 with the market volatility impacting the share price as global trade wobbled under worldwide lockdowns. A sharp rebound thanks to strong rent collection statistics allowed the share price to get back to premium territory and resulted in two small equity issues totalling €11.6 million. Our intention was to use this capital for the purchase of a brand new warehouse in the Netherlands. Unfortunately, this was aborted during due diligence due to the discovery of heavy soil pollution, with remediation measures considered far too expensive. This capital has more recently been put to work following the recent acquisition of the Polish asset in Lodz. Our asset management initiatives are focusing on extensions where there is ample land available and on the continued installation of solar panels.

Acquisitions

15 January 2020: we finalised the acquisition of a new logistics warehouse in Den Hoorn, the Netherlands, for a net purchase price of €49.9 million.

02 December 2020: signing of a Letter of Intent ('LOI') for the purchase of a new warehouse of 31,000 square metres in Central Poland for a purchase price of c.€28 million.



Financing

15 January 2020: signed the financing on Den Hoorn and Zeewolde with a German bank for a total amount of €35.7 million at an all-in cost of 1.25% per annum.

22 October 2020: signed a €40 million credit facility with Investec Bank to provide access to additional funds for better cash management.

See page 99 for further details on these asset level fixed rate loan facilities.

ESG

February 2020: finalised a tenant satisfaction survey with Keepfactor.

March 2020: implementation of Envizi, a platform to analyse energy and water consumption.

September 2020: completed two sustainability audits for the warehouses in Erlensee and Waddinxveen.

October 2020: commenced working with Smarter Technologies, a company specialising in automated collection of volumetric usage data.

November 2020: received 4 out of the maximum 5 Green Stars in the GRESB survey, the leading indicator for measuring the green performance of a property portfolio.

December 2020: signed two LOI's with specialists for the placement of solar panels on the roofs in Den Hoorn and Ede.

Asset Management

Full year 2020: collected 97% of total rent for the full calendar year 2020. Following COVID-related discussions, we negotiated and completed seven requests for rent deferral and signed three lease extensions in combination with rent free periods.

Full year 2020: engaged with solar panel consultants regarding feasibility studies for the placement of panels on the warehouses in France, Germany, Poland and Spain.

15 May 2020: signed a 5 year lease with DMR in Warsaw for 4,881 square metres and an annual rent of €239,000.

Q1 2021: commenced a feasibility study on the potential extension of the warehouse in Meung-sur-Loire.

Investment Manager's Review

Evert Castelein
Fund Manager

Logistics - the flavour of the day

The year 2020 was dominated by the pandemic and its unprecedented impact on economies worldwide. The fear of spreading the virus with no vaccine developed resulted in national lockdowns, travel restrictions and many people working from home in order to keep the coronavirus under control whilst governments tried to keep their economies afloat with huge fiscal stimulus in order to limit the impact of the recession.

Logistic supply chains were disrupted, but in general the logistics sector has proven to be more resilient than other sectors such as retail, hotels, restaurants or even offices now that many of us are getting used to working from home. Structural trends, such as the rise of e-commerce, have accelerated thanks to the very big shift towards online consumption. Online sales volumes in Europe are probably now where they would have been predicted to be in six years' time, supporting increased demand for logistics space. Supply chains were perhaps too lean and efficient, focusing on 'just-in-time' deliveries, making them susceptible to external shocks. COVID-19 will likely result in a desire for the on-shoring of manufacturing activities from China back to Europe and the building up of inventory levels. This change in philosophy should make supply chains more resilient in aiming to fulfil customer orders.

Overall, the demand-side is holding up well with less than 4% vacancy rates on average across Europe, meaning that there is an undersupply situation and a real shortage of modern, well located logistics warehousing. Such strong fundamentals for the logistics sector led to many investors seeking to invest in this area. Our house view indicates that logistics will be one of the outperforming sectors in the real estate market, together with residential, and that it should continue to outperform the general real estate market over the next three to five years. Rental growth and the wall of capital that is being directed into the logistics market will in many cases lead to higher property values and further yield compression. ASELI is in a good position to benefit from these winds of change given its well located portfolio and strong rent collection witnessed over the 2020 calendar year.

ASELI - a well positioned portfolio

ASELI has a well-diversified, high quality portfolio with fifteen warehouses in five different European countries. Almost half of the Company's capital has been invested in the Netherlands, which is seen as one of the strongest logistics locations in Europe thanks to its strategic geographical location, with Rotterdam being the largest seaport in Europe. The proximity of the German hinterland and transport corridors to the south makes this an important location for large European Distribution Centres (EDCs) given it has the highest amount of logistic space in Europe in square metres per capita, just behind Belgium[1].

Property values are also well supported, thanks to a lack of greenfield locations in this densely populated country. Top down country views are important, but even more important is the potential second-life of the warehouse: can the building be leased relatively easily to another company? Having local expertise in the form of our on-the-ground European-based transaction managers assists in finding the right stock at the right price. The future letting potential of a warehouse is defined by the quality of the location and the specifications of the building. All of the buildings in the Company's portfolio are viewed as 'liquid' investments that can easily be leased out to another tenant or sold to another investor.

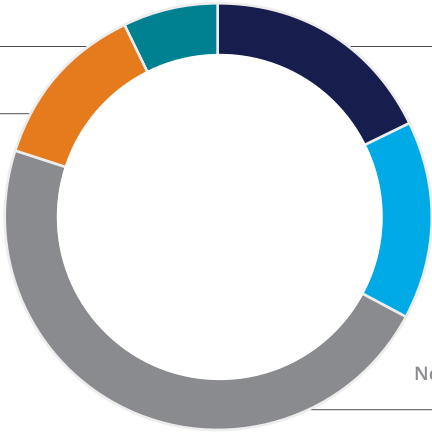
A good illustration of this is the brand new warehouse that we added to the portfolio in January 2020 located in Den Hoorn, the Netherlands. This is the largest building in the portfolio at 43,000 square metres and it is located in the most densely populated part of the Netherlands between the cities of Rotterdam and The Hague. Thanks to this urban location, the long lease with a strong covenant, family-owned transport company and the added advantage of the flexibility of the building with the option to split it into two parts, this is a very attractive and liquid investment. LED lighting and the recent signing of a solar lease affords the building very good ESG credentials and an extra income stream of €80,000 per annum from the moment the panels are in operation, expected to be from September 2021.

As at 31 December 2020, The Netherlands was the largest market exposure in the portfolio by value with an allocation of 47%, followed by France (18%), Germany (15%), Poland (13%) and Spain (7%).

[1] The Netherlands has 1.9 square metres of logistic space per capita just behind Belgium (2.0 square metres), above Germany (0.9 square metres) and the UK (0.4 square metres)

New stacking system at Zeewolde, Netherlands

Country allocation (by % of portfolio value)



As at year end, eight of the fourteen warehouses held in the portfolio were brand-new and have been constructed since 2018 meaning maintenance costs should be low while the specifications of these warehouses are very modern, in line with today's requirements, such as an eaves height of 10-12 metres, floor bearing load capacity of 5 tonnes per square metre and sufficient loading docks (1 for every 1,000 square metres). Average lease length is long at 8.1 years including breaks and 11.0 years excluding break options with the majority of these leases benefiting from full CPI indexation, sometimes with a cap or collar.

The strong ambition to grow the size of the Company remains, to enable us to add comparable quality, diversify risk with further acquisitions and a varied tenant mix and improve liquidity through increased scale. The €40 million credit facility signed with Investec Bank provides us with the flexibility required as we seek exclusivity on deals ahead of a capital raise helping to reduce cash drag. Over the course of the summer, the team was disappointed to have to abort an off-market deal over which we had exclusivity. This transaction in the Netherlands was aborted during advanced due diligence with the soil found to be heavily polluted with heavy metals. Although any partial remediation would not have affected the current use of the building, the team felt it had no choice but to pull back from the deal as it was clear that any future use of the building could be compromised and the liquidity of the asset harmed. Additionally, it was felt the acquisition of this building, with its associated pollution issues, would not be in line with the Company's ESG ambitions. Our focus moved quickly to a higher yielding, brand new multi-tenant building in Lodz, Central Poland. Following due diligence, this €28 million transaction was completed. The 31,500 square metre property is leased to six tenants with a weighted average lease term of 6.7 years and provides a net initial yield of 5.6%. Located at the centre of Poland's thriving industrial and manufacturing sector, the property benefits from access to the Intermodal Container Terminal, created to support the Bosch-Siemens campus, which offers direct rail connections with China.

Property Portfolio as at 31 December 2020

Country	Location	SPA signed	Closing	Built	WAULT[1]	WAULT[2]	% of fund by value
Germany	Flörsheim	Dec-17	Feb-18	2015	4.1	6.2	5.9
Netherlands	Ede	Aug-18	Aug-18	1999/ 2005	6.9	6.9	7.0
France	Avignon	Jul-18	Oct-18	2018	6.6	9.4	11.6
Netherlands	Waddinxveen	Nov-18	Nov-18	1983/ 1994/ 2002/ 2018	12.9	17.9	9.4
France	Meung sur Loire	Nov-18	Feb-19	2004	5.8	5.8	6.5
Poland	Krakow	Feb-19	Feb-19	2018	3.9	3.9	6.3
Germany	Erlensee	Jun-18	Feb-19	2018	5.0	12.4	9.3
Spain	Leon	Jul-18	May-19	2019	8.2	8.2	4.1
Netherlands	Zeewolde	Oct-18	Jun-19	2019	13.5	18.5	7.8
Netherlands	Oss	Oct-18	Jul-19	2019	13.5	18.5	3.8
Netherlands	's Heerenberg	Jun-19	Jul-19	2009/ 2011	11.0	16.0	6.9
Poland	Warsaw	Sep-19	Oct-19	2019	6.9	6.9	6.4
Spain	Madrid	Dec-19	Dec-19	1999	6.0	9.0	2.5
Netherlands	Den Hoorn	Dec-19	Jan-20	2020	9.0	14.0	12.5
TOTAL					**8.1**	**11.0**	**100.0**

[1] Weighted average unexpired lease term including break options.
[2] Weighted average unexpired lease term excluding break options.

Rent collection - proven to be resilient

During the year, much of our attention was focussed understandably on rent collection and the impact of COVID-19 on our tenants' businesses. Through our local on-the-ground asset managers we stayed in close contact with our tenants and worked pro-actively to further build on our long-term relationships. The majority of discussions with tenants whose businesses were impacted by the pandemic and related market shut-downs took place in the months following the first series of lockdowns.
Rents are normally payable in advance either on a monthly or quarterly basis. A small number of tenants requested a (partial) deferral of Q2 rents while others asked for rent free periods in exchange for material lease extensions or the option to pay monthly instead of quarterly rent. Overall, seven rent deferrals were agreed with three leases extended in exchange for rent free periods.
New legislation introduced by the governments in Germany and Poland protected companies struggling due to COVID-19, stating landlords were not allowed to refuse requests for help.

A large part of the deferred rents were repaid in the second half of 2020 resulting in overall rent collection equating to 97% of the total rents due for the full calendar year. The remaining 3% related to deferrals beyond 2020 and rent free periods agreed in exchange for lease extensions.

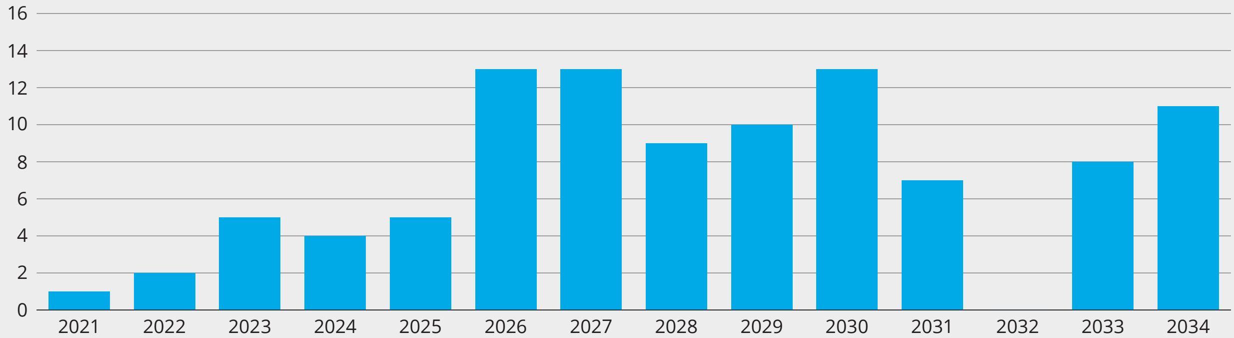
Clearly, certain sectors and companies have struggled more than others. Companies in the automotive industry, retail or with direct links to restaurants, bars or hotels have been impacted far more than companies with links to groceries or specialised in online sales. Based on our sector profile, ASELI's breakdown of rental income is over-weight sectors that have held up very well with 26% of total rent related to food, 7% related to e-commerce and 27% linked to transport and warehousing. Good illustrations here are the three largest tenants in the portfolio: van der Helm, Biocoop and Combilo, with all of these companies operating at full capacity with their direct links to the food sector. Another good example is Kruidvat, a leading drugstore in the Netherlands and fourth largest tenant in portfolio. It is rolling out its e-commerce platform from our building in Ede supported by their large investment in automation, clearly showing their long-term commitment to this building.

This strong rent collection in combination with a loan portfolio that reflected limited concerns gave the Board confidence to continue to pay full quarterly dividends in line with the stated distribution policy. Our loan portfolio is still young with loan facilities put in place immediately after full deployment of capital from Q1 2019 onwards. Stress-testing on the existing financial covenants such as the Interest Cover Ratio and Loan-To-Value (LTV) indicated a good level of headroom, even more so now that property values have increased strongly and all expected rents were paid. In order to diversify risk all the loan facilities have also been cross-collateralised with a group of single-tenanted buildings or have diversified risk thanks to the multi-tenanted leasing structure.

Office Dépôt

Clearly one area that we are paying particularly close attention to is the situation surrounding Office Dépôt and its occupation of the Meung Sur Loire warehouse as stated in the Chairman's Statement. Whilst awaiting the outcome of the sales process instigated by the owners of the company, we continue to review the property with all relevant parties including agents on the ground. This will ensure that we are ready to act, if required, to look to re-let the property as soon as we are able. In the meantime, the administrators have intimated their desire for the company to continue to trade from the property, Office Dépôt France's main warehouse hub, and to pay rent, which they have done for February, March and April.

Lease expiry profile (% of total rent)



Top 10 tenants based on current rents

	Tenant	Property	Contracted Rent (€000 p.a.)	Contracted Rent (%)	WAULT incl breaks (years)	WAULT excl break (years)
1	van der Helm	Den Hoorn	2,809	13%	9.0	14.0
2	Biocoop	Avignon (Noves)	2,344	10%	6.6	9.6
3	Combilo	Waddinxveen	1,859	8%	12.9	17.9
4	Kruidvat	Ede	1,490	7%	7.6	7.6
5	VSH Fittings	Zeewolde	1,556	7%	13.5	18.5
6	JCL	's Heerenberg	1,469	7%	11.0	16.0
7	Office Depot	Meung sur Loire	1,445	6%	5.8	5.8
8	Decathlon	Leon	1,300	6%	8.2	8.2
9	DHL Warsaw	Warsaw	856	4%	8.5	8.5
10	Orangeworks	Oss	852	4%	13.5	18.5
	Portfolio at 31/12/2020		15,980	72%	9.4	12.5
	Other tenants		6,346	28%	4.6	7.3
	Total portfolio		**22,326**	**100%**	**8.1**	**11.0**

Property values – strong year end performance

The quality we see in the portfolio and the strong fundamentals in the logistics sector are reflected in the positive progression in the property valuations. Over the course of what was globally a difficult year, valuations went up by 7% driven higher by yield compression. During Q2, the most challenging quarter of the year, valuations remained stable despite the RICS valuation committee insisting on valuers including a 'market uncertainty' clause, albeit temporarily, into their valuation reports as liquidity in the market dried up as investors took a wait and see attitude. Limited transactional evidence meant valuation advisers had less references in order to appraise the buildings. Over the summer, this clause was lifted for the logistics sector first as liquidity improved quickly with investors gaining the confidence required to transact again. In Q4, capital growth accelerated with a 6% increase quarter-on-quarter indicating logistics is very much the flavour of the day.

Modest gearing with attractive all-in costs

Our current total loan to gross asset value gearing is 31%. Our stated target remains at 35% with a maximum allowed loan to value ratio of 50% (measured at the time of drawdown). The Company has implemented fixed rate bank loan gearing in those markets where all-in loan costs are the lowest, such as France, Germany and the Netherlands. German banks have been very active in this space. The average all-in cost of the loan portfolio is currently 1.36% which had an average loan duration of 7.3 years, of which 5.7 years remain. The most recent addition to the loan portfolio was the loan facility of €35.7 million signed in January 2020 to fund the acquisition of our Den Hoorn asset. The building is cross-collateralised against Zeewolde with an all-in cost of 1.25% for a fixed 8.0 year term of which 7.0 years now remain as at 31 December 2020.

As flagged previously, the Company's LTV could rise above 35% with the use of the €40 million credit facility which was signed in October 2020 with Investec Bank. However, this would be on a temporary basis to allow better cash management. This would enable the Company to purchase a warehouse or implement an asset-management initiative, typically ahead of a capital raise, in order to reduce potential cash-drag.

Outlook

The real estate logistics sector has been one of the most positively impacted major investment sectors through technological change and its acceleration through COVID-19. This has created a significant amount of investor attention and strong pricing trends and this means we need to understand the key drivers of the market and the changing nature of risk and reward. Our focus has always been on location, asset quality, future proofing and building sustainability, which are critical.

ASI expects the global direct investible universe to grow from $1.5 to $2.1 trillion by 2030, representing a 40% increase over the next 10 years. Some forecasters suggest that online retail requires three times more floor space than in-store sales fulfilment and our forecast growth is driven by a combination of capital value growth (minus depreciation) and a structural rise in stock through net additions (construction activity). Continental Europe and Asia are expected to experience the strongest growth, with the UK and North America already having more established supply chains.

The pandemic has proved out to many operators that long supply chains carry excess risk and the labour cost arbitrage is becoming less pronounced. Many are switching focus towards certainty over speed which is expected to drive storage requirements whilst automation and robotics have been game-changing.

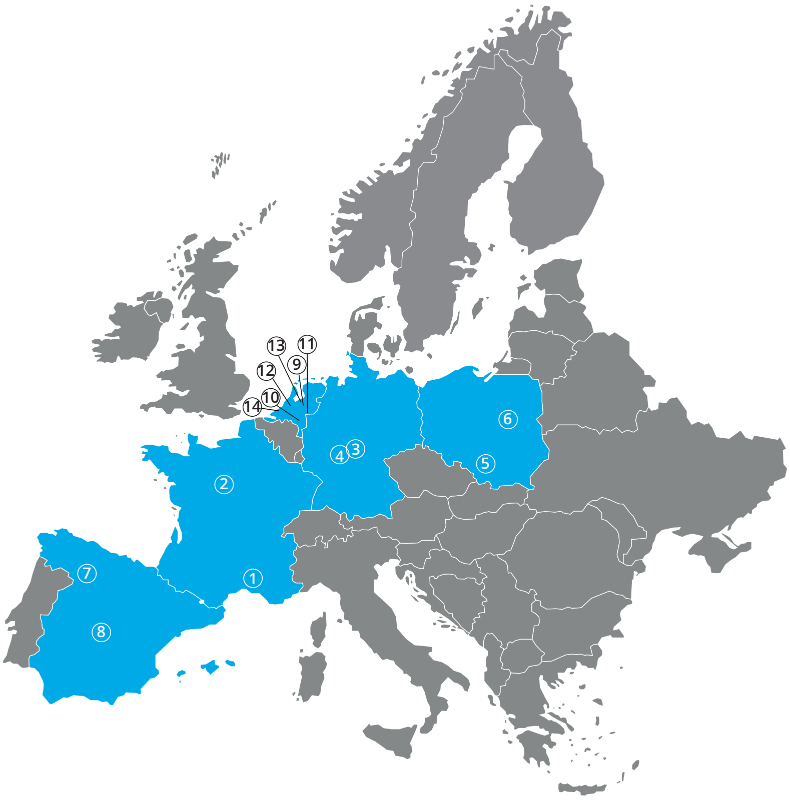
We anticipate significant volumes of capital will target this sector over the next decade with building specifications being all important and strong competition between operators. Increasingly investors are seeking greater clarity on the business models of the underlying tenants to ensure that they are future proof and supported by buildings that maximise ESG benefits to promote efficiency and employee welfare.

Expected risk and returns will be heavily influenced by the strength and predictability of cash flows. Risk considerations for us include: the duration of income; volatility of capital values and liquidity; exposure to regulation or the possibility for changing regulation; the strength and depth of the demand base and operator strength.

The digital evolution and the re-shoring of operations is having a profound impact on the sector whilst there continues to be a shortage of modern and sustainable logistics property. Strong market fundamentals offer long term investors the prospect of stable, long term inflation-proofed cash flows. It remains our desire to grow the size of the Company's portfolio and this will be accomplished through sensible, measured acquisitions and the management of assets with a view to improving sustainability. Modest gearing together with diversification across countries and the tenant base will ensure that shareholder returns deliver for the longer term with ESG playing a significant role in the way we manage the portfolio for a sustainable future.

Evert Castelein,
Fund Manager
Aberdeen Standard Investments Ireland Limited
28 April 2021

Property Portfolio



Property Portfolio as at 31 December 2020

	Property	Tenure	Principal Tenant	Q4 2020 valuation (€m)
1	France, Avignon (Noves)	Freehold	Biocoop	49.8
2	France, Meung sur Loire	Freehold	Office Depot	27.9
3	Germany, Erlensee	Freehold	Bergler	40.0
4	Germany, Flörsheim	Freehold	DS Smith	25.2
5	Poland, Krakow	Freehold	Lynka	27.2
6	Poland, Warsaw	Freehold	DHL	27.5
7	Spain, Leon	Freehold	Decathlon	17.6
8	Spain, Madrid	Freehold	DHL	10.9
9	the Netherlands, Ede	Freehold	AS Watson (Kruidvat)	30.4
10	the Netherlands, Oss	Freehold	Orangeworks	16.5
11	the Netherlands, 's Heerenberg	Freehold	JCL Logistics	29.5
12	the Netherlands, Waddinxveen	Freehold	Combilo	40.4
13	the Netherlands, Zeewolde	Freehold	VSH Fittings	33.6
14	the Netherlands, Den Hoorn	Leasehold	Van Der Helm	53.7
Market Value as at 31 December 2020				**430.2**
Less Lease Incentives				**(5.0)**
Total Market Value Less Lease Incentive Debtor				**425.2**
Add IFRS 16 Leasehold Asset				**23.2**
Total per Balance Sheet				**448.4**

FRANCE

AVIGNON

- Avignon (92,000 inhabitants) is located in the heart of the Provence close to larger cities Montpellier (280,000) and Marseille (978,000). The Provence is the #1 region for the production of fruit and vegetables in France explaining why tenant Biocoop (organic food retailer) and other supermarkets (Carrefour, Aldi, Systeme U) and food specialists have located distribution centres here
- New sustainable warehouse with modern specifications and solar panels
- Property consists of 4 cells, 2 of which are treated as cold storage (1/3 of floor space)

SPA signed/ closing	Jul 18 / Oct 18
Net acquisition yield	5.0%
On-/ off-market	Off-market
Year of construction	2018
Net leasable area	28,469 sqm
Main tenants	Biocoop and Bargreen (solar panels)
Indexation	100% ILAT (annual)
WAULT (incl/ excl breaks)	6.6/ 9.4 years
Property specifications	Free height of 10.5m, floor load capacity of 5 t/sqm, 24 loading doors, sprinklers, HQE Excellent certificate, 11% office space, LED, solar panels

MEUNG SUR LOIRE

- The property is located in the heart of France 27km southwest of Orleans (115,000 inhabitants). Due to its excellent location the unit serves Paris, Central and the South of France for both national and international distribution
- Established and growing logistics location, with DHL, ID Logistics, XPO and Rexel as examples of other logistics operators nearby. Office Depot, specialising in the office supplies market, has consolidated its French business here
- Asset with modern specifications and low site cover of 29% provides space for future expansion

SPA signed/ closing	Nov 18 / Feb 19
Net acquisition yield	4.7%
On-/ off-market	On-market
Year of construction	2004
Net leasable area	30,180 sqm
Main tenant	Office Depot
Indexation	100% ILAT (annual)
WAULT (incl/ excl breaks)	5.8/ 5.8 years (tenant went into administration on 05/02/2021)
Property specifications	Free height of 12-17m, 28 loading doors, floor load capacity of 5-7 t/sqm, sprinklers, site cover of 29%, 6% office space, LED (partial)

GERMANY

ERLENSEE

	• Two new logistics buildings on a new logistics hub to the West of the Frankfurt Rhine-Main region (6m inhabitants) with other companies like Dachser and Wilhelm Brandenburg Group located close by • The project comprises two modern multi-let new logistics buildings of 10,936 and 15,764 sqm with modern specifications • Limited logistics supply in Rhine-Main region creating space for future growth (sub 5% vacancy)
SPA signed / closing	Jun 18 / Feb 19
Net acquisition yield	5.2%
On-/ off-market	Off-market
Year of construction	2018
Net leasable area	26,700 sqm
Main tenant	Bergler, DS Smith
Indexation	Threshold indexations with combination of 5%/80% and 10%/80%
WAULT (incl/ excl breaks)	5.0/ 12.4 years
Property specifications	Free height of 10.5m, 50 loading doors, sprinklers, floor load capacity of 5 t/sqm, 10% office space, LED

FLÖRSHEIM

	• Prime multi-let logistics park built in 2015 and located to the East of the Frankfurt Rhine-Main region (6m inhabitants), just 15 kilometres from Frankfurt Airport • Project comprises two modern multi-let new logistics buildings of 10,762 and 7,047 sqm with modern specifications • Limited logistics supply in Rhine-Main region creating space for future growth (sub 5% vacancy)
SPA signed / closing	Dec 17 / Feb 18
Net acquisition yield	5.2%
On-/ off-market	On-market
Year of construction	2015
Net leasable area	17,809 sqm
Main tenant	Ernst Schmitz, Maintrans
Indexation	100% CPI (annual) and 1 lease with threshold indexation (5%/80%)
WAULT (incl/ excl breaks)	4.1/ 6.2 years
Property specifications	Free height of 10m, 22 loading doors, floor load capacity of 5 t/sqm, sprinklers, 11% office space, LED (partial)

THE NETHERLANDS

EDE

	• Ede (112,000 inhabitants) very centrally located in the Netherlands and well positioned for national distribution • One part of the building (30% of total) was fully renewed in 2018 with a new floor and installations • Drugstore Kruidvat is part of the AS Watson Group. They will partly use this location for their growing e-commerce business • Lease signed on the partial installation of solar panels
SPA signed/ closing	Aug 18 / Aug 18
Net acquisition yield	5.9%
On-/ off-market	On-market
Year of construction	1999 / 2005
Net leasable area	39,841 sqm
Main tenant	Kruidvat
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	6.9/ 6.9 years
Property specifications	Free height of 12.2m, 23 loading doors, floor load capacity of 2.5-10.0 t/sqm, sprinklers, 8% office space, LED

DEN HOORN

	• Logistics sector in the Netherlands performing well and is functioning as a "gateway to Europe" • Den Hoorn is located in the most densely populated area in the Netherlands in the Rotterdam/ the Hague metropolitan area (2.7 million inhabitants) and easily accessible by motorway • Brand-new flexible warehouse of 43,316 square metres with modern specifications. Lease signed to put solar panels on the roof
SPA signed/ closing	Dec 19 / Jan 20
Net acquisition yield	4.5%
On-/ off-market	On-market
Year of construction	2020
Net leasable area	43,280 sqm
Main tenant	Van der Helm
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	9.0/ 14.0 years
Property specifications	Free height of 12.2 meters, 36 loading doors, floor load capacity of 5t/ sqm, 11% office space, LED, sprinklers, solar panels

THE NETHERLANDS (continued)

OSS

- Oss (86,000 inhabitants) is strategically located between port of Rotterdam and Ruhr area and ranked as number 6 logistics hotspot in the Netherlands
- Established logistics location with large companies such as Montea Logistics, Vos Logistics, Heineken, Vetipak, Movianto and Mediq
- Forward funded project with a 5.5% coupon rate delivered in July 2019
- Tenant has been granted subsidies to install solar panels on the roof

SPA signed/ closing	Oct 18 / Jul 19
Net acquisition yield	5.3%
On-/ off-market	Off-market
Year of construction	2019
Net leasable area	12,433 sqm
Main tenant	Orangeworks
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	13.5/ 18.5 years
Property specifications	Free height of 10m, 5 loading doors with option to create 10 more, floor load capacity of 5 t/sqm, sprinklers, 14% office space, LED

‘S HEERENBERG

- Located in an upcoming logistics hub close to A12 highway and Emmerich barge terminal in Germany. Strong incentives for 3PL providers to locate close to NL-GER border with advantages in customs and employment flexibility
- Grade A specified warehouse and cross-dock with offices totalling 23,031 sq metres. Total site is 45,000 sq metres with coverage only 23,000 sqm

SPA signed/ closing	Jun 19 / Jul 19
Net acquisition yield	5.0%
On-/ off-market	Off-market
Year of construction	2009/ 2011
Net leasable area	23,031 sqm
Main tenant	JCL Logistics
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	11.0/ 16.0 years
Property specifications	Warehouse free height 12m, cross-dock 5.5m. 40 loading doors, floor-load capacity 3.0-4.0 t/sqm, LED (partial), sprinklers

THE NETHERLANDS (continued)

WADDINXVEEN

- Waddinxveen is centrally located in the Randstad conurbation (8 million consumers within 1 hour's driving distance) and ranked as number 7 logistics hotspot in the Netherlands
- Established and strategic location for tenant due to large concentration of greenhouses. Tenant Combilo is specialised in the import and export and packaging of fruit/vegetables for supermarkets/ wholesale making this an excellent location for them
- Cross-dock warehouse of 29,058 sqm, with ample loading doors on both sides of the building

SPA signed/ closing	Nov 18 / Nov 18
Net acquisition yield	5.0%
On-/ off-market	Off-market
Year of construction	1983/ 1994/ 2002/ 2018
Net leasable area	29,058 sqm
Main tenant	Combilo International
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	12.9/ 17.9 years
Property specifications	Cross-dock with 51 loading doors, free height 7-11m, sprinklers, floor load capacity 1.0 - 3.5 t/sqm, 6% office space, LED (partial), solar panels (partial)

ZEEWOLDE

- Zeewolde is a town with 23,000 inhabitants located in the heart of the Netherlands in the province of Flevoland and close to Almere, the fastest growing municipality in the Netherlands (197,000 inhabitants, forecast: 350,000) and Lelystad (96,000 inhabitants)
- Region is ranked as number 4 logistics hotspot in the Netherlands and will benefit from the expansion of Lelystad airport and opening of Inditex/ Zara warehouse (100,000 sqm)

SPA signed/ closing	Nov 18 / Jun 19
Net acquisition yield	5.0%
On-/ off-market	Off-market
Year of construction	2019
Net leasable area	36,515 sqm
Main tenant	VSH Fittings
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	13.5/ 18.5 years
Property specifications	Free height of 12.2m, 37 loading doors, floor load capacity of 5 t/sqm, BREAAM Very Good, sprinklers, 4% office space, LED

POLAND

KRAKOW

	• Krakow is the 2nd largest city in Poland with 760,000 inhabitants and characterised by a relatively affluent population, the dominance of added value industries, a strong education infrastructure and business friendly policy • The Polish logistics market is strong and currently ranked third in Europe in terms of new developments benefitting from being the largest economy within the Central and Eastern European block with a lower cost labour force • New multi-tenant building with modern specifications
SPA signed/ closing	Feb 19 / Feb 19
Net acquisition yield	6.8%
On-/ off-market	On-market
Year of construction	2018
Net leasable area	34,932 sqm
Main tenant	Lynka
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	3.9/ 3.9 years
Property specifications	Free height of 12m, 70 loading doors, floor load capacity of 5 t/sqm, sprinklers, 11% office space, LED

WARSAW

	• Warsaw is the wealthiest and largest, most urbanised area in Poland with a population size of 1.8 million making it attractive for parcel delivery specialists such as DHL • The Polish logistics market is strong and currently ranked third in Europe in terms of new developments benefitting from being the largest economy within the Central and Eastern European block with a lower cost labour force • Modern, state-of-the-art logistics scheme consisting of two brand-new buildings. One building is cross-docking warehouse for the E-commerce related activities of DHL (54% of total rent), the other one is a standard warehouse with 3 units
SPA signed/ closing	Oct 19
Net acquisition yield	5.6%
On-/ off-market	Off-market
Year of construction	2019
Net leasable area	24,371 sqm
Main tenant	DHL, ICS
Indexation	100% Euro CPI (annual)
WAULT (incl/ excl breaks)	6.9/ 6.9 years
Property specifications	Free height of 10m in warehouse and 7.5m in cross-dock, 60 loading doors, floor load capacity of 5 t/sqm, LED, 9% office space, solar panels (partial)

SPAIN

LEON

- Leon (126,000 inhabitants) is a strategic logistics location for distribution in the North West of Spain (supermarket chain Mercadona and Inditex have large warehouses here). Decathlon has moved and closed its business in Pamplona to supply 40 shops in this part of Spain
- New logistics warehouse developed by Goodman to latest logistics standards delivered in April 2019. Asset consists of 3 different modules totalling 32,637 sqm allowing for some flexibility to turn it into a multi-tenant building
- Decathlon has a 5 year option to expand the building by 10,000 sqm if required

SPA signed/ closing	Jul 18 / Apr 19
Net acquisition yield	6.0%
On-/ off-market	On-market
Year of construction	2019
Net leasable area	32,645 sqm
Main tenant	Decathlon
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	8.2/ 8.2 years
Property specifications	Free height of 10.7m, 29 loading doors, floor load capacity of 5 t/sqm, sprinklers, 2% office space, LED, solar panels (partial)

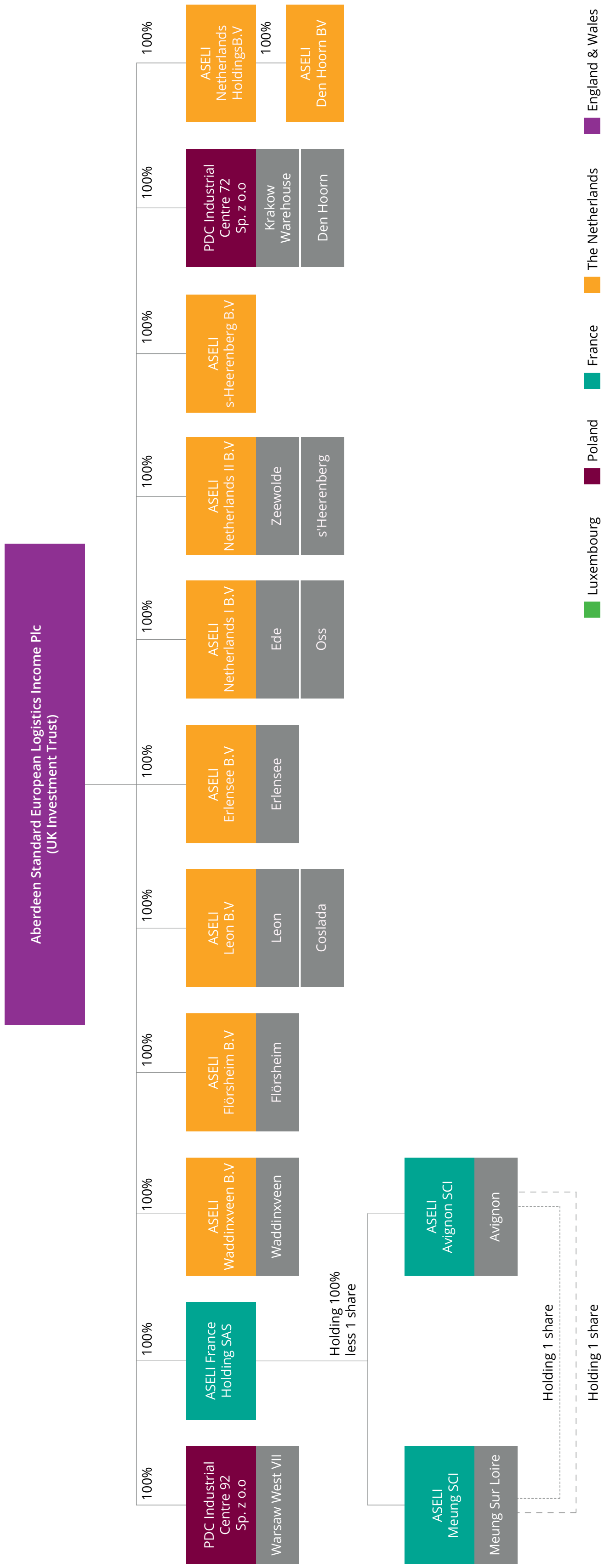
MADRID

- Coslada is one of the best locations for last mile logistics in Madrid which is one of the larger cities in Europe (6m inhabitants in the region) making it attractive for parcel delivery specialists such as DHL
- Asset is located 1 kilometre from the airport, almost directly adjacent to residential areas to the east of Madrid
- Cross-dock warehouse of 8,677 square metres with loading doors at both sides, ideal for city distribution

SPA signed/ closing	Dec 19
Net acquisition yield	5.0%
On-/ off-market	Off-market
Year of construction	1999, refurb in 2012
Net leasable area	8,677 sqm
Main tenant	DHL
Indexation	100% CPI (annual)
WAULT (incl/ excl breaks)	6.0/ 9.0 years
Property specifications	Free height of 10.5m, cross-dock with 12 loading bays at the front and 25 doors at the back, floor load 5 t/sqm, 20% office space

Group Structure

Group Structure as at 28 April 2021



Krakow (Poland), new building with a diversified tenant base

Sustainability

The management of Environmental, Social and Governance issues is a fundamental part of our business.

Sustainability

Environment, Social and Governance (ESG)

Sustainability, Impact and Futureproofing

The Investment Manager views the management of Environmental, Social and Governance issues as a fundamental part of its business. As a real estate investment and asset manager, it recognises that while real estate investment provides valuable economic benefits and returns for clients it has, by its nature, the potential to affect environmental and social outcomes. Our Investment Manager, has committed to:

- Identifying, assessing, monitoring and controlling environmental, societal and regulatory risks at key stages of the investment, development and asset management operations;
- Ensuring effective governance and responding to, and complying with, regulatory requirements in every country in which it operates;
- Sharing its knowledge and engaging with central government, with local government and with other bodies in order to encourage best practice in the market and to steer government policy; and
- Working in partnership with key stakeholder groups – our investors, occupiers, employees, suppliers and the communities the Company and the Investment Manager serve.

The Company believes that comprehensive assessment of ESG factors leads to better outcomes for shareholders and adopts the Investment Manager's policy and approach to integrating ESG. A key element of this is the employment of the Investment Manager's ESG Impact Dial – a proprietary research framework - in support of investment strategies, underwriting decisions and the asset management approach. The Investment Manager has identified a range of key forces for change - Environment & Climate, Governance & Engagement, Demographics and Technology & Infrastructure - which together form the basis of the ESG Impact Dial. These guide the prioritisation and integration of ESG factors at the Company and property level, whilst providing a structure for engagement with, and reporting to stakeholders.

The Investment Manager makes use of the expertise within its ESG Real Estate team and is actively engaged with the European Union, national governments and industry working groups, including a number of Green Building Councils, the Global Real Estate Sustainability Benchmark (GRESB), the UK Better Building Partnership and the UN Principles for Responsible Investment (UN PRI). This ensures that it can help to formulate government policies and that its management teams are well informed of future government intent and market direction.

EPRA Sustainability Best Practice Recommendations Guidelines

The Investment Manager has adopted the 2017 EPRA Sustainability Best Practice Recommendations Guidelines (sBPR) to inform the scope of indicators that it reports against. The Investment Manager has reported against all EPRA sBPR indicators that are material to the Company.

Solar panels on the roof of warehouse in Avignon, France

ESG Embedded in the Investment Philosophy

Dialling-up the integration of ESG into real estate

How ESG policies are integrated into real estate management is becoming increasingly important. In general, investors have become more ethically and environmentally conscious and take a far more holistic approach to their investments. Global environmental targets and legislation at a national and European level are also pushing the boundaries for ESG integration.

Buildings, by their nature, are energy intensive. From the carbon used in bricks, concrete and steel, to day-to-day running costs, all have a direct impact on the environment. Unlike shares and bonds, properties are tangible assets that people can see, visit, work and live in. How they look, how they operate and how they are managed affects occupiers, employees, landlords, investors, and the local community.

Research has shown though that investors do not all share a common view when it comes to managing assets. Some traditional investors are more focused on financial returns Although many now take a more responsible investment approach where they are primarily driven by financial Returns whilst also taking ESG factors into account. Others are seeking to make a positive impact and see financial returns and ESG concerns as equally important considerations.

The four 'forces for change' Investors also differ on what specific ESG factors they view as important. For example, some may be particularly concerned about limiting any damage to the environment but they may consider social aspects to be of less importance. ESG concerns can also vary by location and geography. Investors in the UK may have different priorities from those in Scandinavia, Germany or in the US. And those with global aspirations may differ again.

The four forces naturally encompass a diverse range of topics and concerns. Our Investment Manager has translated and codified these into its investment approach, while also aligning them to the UN Sustainable Development Goals. It believes that these forces will shape the future and, in turn, shape our long-term approach by guiding how ESG factors are prioritised at the Company and asset level.

The aspects considered under ESG are dictated by these four overarching global forces for change as outlined below:

Environment and Climate
- Environmental condition
  - Biodiversity
  - Land and Water Contamination
  - Outdoor Air Quality
  - Landscape Quality
- Resource efficiency
  - Carbon and Energy Reduction
  - Water
  - Waste and Circularity
- Reslience

Governance and Engagement
- Modern Slavery
- Partnerships
- Occupiers
  - Occupier Engagement
  - Occupier Quality

Demographics
- Inclusivity
  - Affordability
  - Accessibility and Experience
  - Employment, Skills and Enterprise
- Wellbeing

Technology and Infrastructure
- Connected
  - Digital
  - Physical
- Smart

A unique ESG Impact Dial

The Investment Manager created a new, bespoke solution for investors that enables it to dial ESG aspirations up or down based on investors' desired outcomes. When it comes to integrating ESG into real estate, its house standard will be the absolute minimum policy that it would use for all mandates. This house standard focuses on avoiding undue risk when managing a real estate asset. This strategy influences the assets the Investment Manager buys, how they are managed and the future plans for the asset. After that, investors can decide which of the 'forces for change' are key priorities for them and where on the ESG investment spectrum they aspire to sit. There is a sliding scale from acting to avoid harm or risk through to policies that benefit stakeholders; there are even strategies for those who want to drive innovative ESG solutions (where they aim to solve specific problems, or generate specific positive environmental or social impacts). Some investors may have a desire to be innovators for environmental and climate challenges, but may prefer to focus less on social and demographics. Others may have different priorities. This bespoke approach also takes their risk profile into account and their target return aspirations for now and the longer term.

Through our Investment Manager, ASELI is currently in the process of rolling out the ESG Impact Dial with training sessions for asset and property managers starting in the Netherlands with other countries following soon after. The outcome of this analysis will help the Company in formulating its main priorities, comparing this to a market benchmark which will ultimately result in asset level strategies. Topics of particular interest at this early stage are biodiversity, carbon emissions, data collection and tenant well-being.

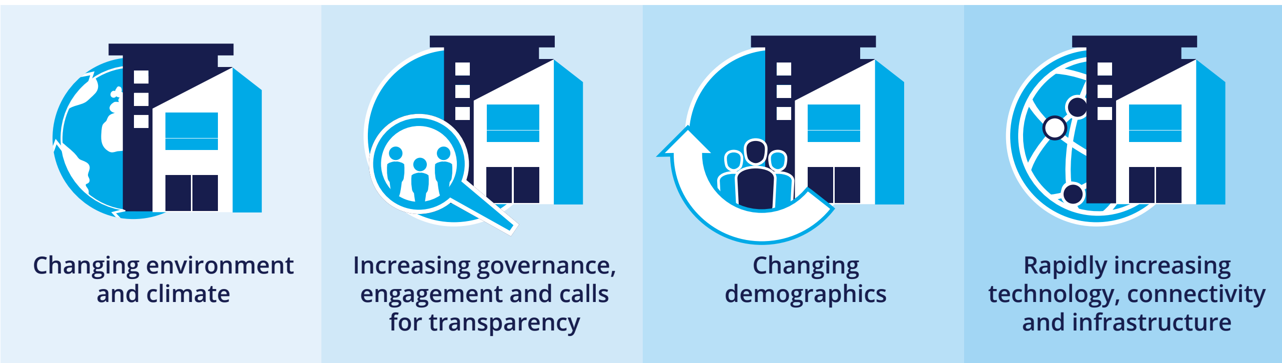
Company approach

The current portfolio has strong ESG credentials. Eight out of fourteen properties were brand new when purchased, meaning that from an environmental perspective these assets are already relatively high performing being constructed to recent high industry standards. Rolling out the ESG Impact Dial in 2021 is an important step to structure the thought process and create a structured focus for the Company from a top-down perspective. The Company is also making its first steps in describing its path towards net zero carbon emissions. In the meantime, several initiatives have helped to contribute to better green performance resulting in a high GRESB rating.

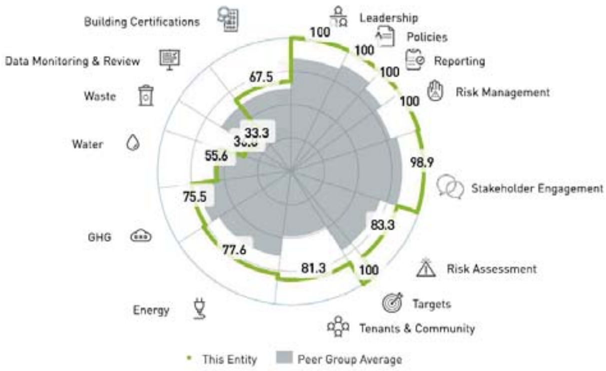
GRESB (the Global Real Estate Sustainability Benchmark)

In the real estate market, GRESB is seen as the worldwide leading indicator to measure the green performance of a property portfolio against a peer group of comparable funds. This is an important measuring framework which can be used in conjunction with the ESG Impact Dial. In the 2019 GRESB survey, the results released in late 2020, saw the Company's score improving from 2 to 4 Green Stars out of the maximum possible of 5, with a total score of 79 out of 100 points against 63/100 for the benchmark. The Company's portfolio outperformed the benchmark in almost every category with maximum scores in 5 categories. It was particularly pleasing to see good performance with regards stakeholder engagement showing that the Investment Manager has worked closely together with tenants, bolstered by an annual tenant satisfaction survey. The Investment Manager has collected energy usage data on all the buildings in the portfolio and aims to collect similar data for all areas on a more frequent basis. More recently a consultant has been engaged to seek BREEAM in Use certificates for the buildings in Den Hoorn, Madrid and Warsaw.

The Investment Manager believes there are four forces affecting global real estate investments



Scorecard ASELI - GRESB 2020



G R E S B
2020

An important contribution to the much improved GRESB score came from solar panel initiatives and structured data collection.

Solar panel projects

The Company and the Investment Manager have ambitions to reduce the carbon footprint of buildings. Green energy produced by solar panels will not only help to contribute towards this ambition but has several other benefits. Buildings with green credentials are more attractive to tenants and easier to lease out. Many potential occupiers will have their own green ambitions and wherever possible buildings should be prepared for the future. Also, buying green energy produced by these roof panels, with a discount, is financially attractive tenants. For investors it means an additional income stream and increased value. Good examples are the recently signed agreements for solar panel projects in Ede and Den Hoorn in the Netherlands which will be managed by Kieszon and Sunrock. These specialist companies will bear the investment cost of the panels and their installation and have signed 20 year leases generating a total additional rental income of c.€100,000 per annum for ASELI. The Investment Manager's attention was focused on the technical side ensuring that the roof is strong enough and the panels are safe in order to get requisite approvals from the lending banks and insurers. A right of superficies has been signed allowing the lessees access to the roof. Signing of such roof leases is the option taken in the Netherlands as it is a mature market with the national government taking an active role in subsidising energy at a fixed price. In other countries like Germany, Poland and Spain the Investment Manager is investigating direct investment in panels and selling such green energy directly to the tenant or the national grid. The Company's portfolio now has three roof leases generating c.€260,000 per annum of rental income with another five further warehouses that have PVs (photovoltaic solar panels) installed which are managed and controlled by the tenant without any interference from the landlord.

Solar panels in Ede (NL).

Improving Data Collection

Understanding the carbon footprint of the portfolio starts with measuring energy and water consumption and waste disposal, especially as energy consumption is a large contributor to carbon production. Tenants do not have an obligation to share this information with the landlord. For this reason, the Investment Manager has appointed a third party supplier, Westbridge, to work with the Company across the continental European portfolio to:

- Improve the quality of landlord-procured energy data, with a longer term aim of automating the supplies
- Transitioning to low carbon green energy, where existing contracts permit
- Commencing engagement with occupiers to seek to capture tenant energy data

The Investment Manager across its estate has tendered its energy procurement and is now buying Green Carbon or "Eco" Energy for its warehouses in Germany and for the common areas in its Polish warehouses and is looking to achieve the same in other jurisdictions.

Energy data is now being collected for all warehouses in the portfolio and this is linked to Envizi, an online program used to store and analyse energy and water consumption. In addition, a pilot scheme has commenced with Smarter Technologies to optimise this dataset from one annual datapoint to daily data collection for two of the warehouses. The initial focus is on energy and water, but additional sensors can be installed to measure air quality and temperature which will further help to enhance tenant well-being.

Sustainability

Materiality Indicators

The Company has undertaken a review of materiality against each of the EPRA sBPR indicators. The table below indicates the outcome of the review.

Code	Performance measure	Review outcome
Environmental		
Elec-Abs	Total electricity consumption	Not material - there is no landlord procured energy, water or waste for the portfolio therefore all consumption or waste production is directly controlled by the tenant which is classified as indirect or as scope 3. As the portfolio continues to grow, we will capture any landlord procured data where possible and if feasible and we will try and capture tenant data to understand the operational performance of the assets
Elec-LfL	Like-for-like total electricity consumption	
DH&C-Abs	Total district heating & cooling consumption	
DH&C-LfL	Like-for-like total district heating & cooling consumption	
Fuels-Abs	Total fuel consumption	
Fuels-LfL	Like-for-like total fuel consumption	
Energy-Int	Building energy intensity	
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	
GHG-Int	Greenhouse gas (GHG) emissions intensity from	
Water-Abs	Building energy consumption	
Water-LfL	Total water consumption	
Water-Int	Like-for-like total water consumption	
Waste-Abs	Building water intensity	
Waste-LfL	Total weight of waste by disposal route	
Cert-Tot	Like-for-like total weight of waste by disposal route	
Waste-LfL	Type and number of sustainably certified assets	
Cert-Tot	Type and number of sustainably certified assets	Material
Social		
Diversity-Emp	Employee gender diversity	Not material – ASELI does not have any employees
Diversity-Pay	Gender pay ratio	
Emp-Training	Employee training and development	
Emp-Dev	Employee performance appraisals	
Emp-Turnover	New hires and turnover	
H&S-Emp	Employee health and safety	Not material – This is in the control of the tenants
H&S-Asset	Asset health and safety assessments	
H&S-Comp	Asset health and safety compliance	
Comty-Eng	Community engagement, impact assessments and development programs	Not material - This will become material over time as the assets develop
Governance		
Gov-Board	Composition of the highest governance body	Material – Due to the new nature of the Company, these aspects cannot currently be reported but will be over time
Gov-Selec	Process for nominating and selecting the highest governance body	
Gov-Col	Process for managing conflicts of interest	

Reporting Methodology

The Company was launched specifically in December 2017 to invest in logistics assets and, as a result, is not in a position to report on all indicators as determined in the materiality assessment. As the Company matures further reporting will be available.

Renewable energy

Solar PV is installed across the whole of the asset in Avignon, France and partially across five further properties. The Investment Manager will install further solar panels in 2021 at the locations in Ede, Den Hoorn and Meung-sur-Loire where roof leases have been signed generating an additional income stream of almost €100,000 per annum.

Auditing and assurance

The Investment Manager has not currently sought third party assurance for the ESG data included in this report although this is something that the Investment Manager is looking at introducing in future years.

Energy Consumption, like-for-like

On a like-for-like basis energy consumption remained stable for the three warehouses in Avignon, Waddinxveen and Ede. We expect to include a larger number of buildings in next year's analysis as the majority of the buildings in portfolio were developments with deliveries in the course of 2019 making it difficult to compare year-on-year.

Energy Consumption like-for-like

			Landlord Electricity (kWh)			Occupier Electricity (i.e. sub-metered to occupiers) (kWh)			Landlord-obtained Gas (kWh)			Occupier-obtained Gas (kWh)			Total Energy(kWh)			Energy Intensity (kWh/ sqm)		
Indicator references			Elec-Like for Like			Elec-Like for Like			Fuels-Like for Like			Fuels-Like for Like			Fuels-Like for Like			Energy-Int Like for Like		
Sector	Coverage 2019 (assets)	Coverage 2020 (assets)	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change
Industrial, Distribution warehouse	3 of 13	3 of 14	0	0	n/a	5,910,536	5,940,001	0.5%	0	0	n/a	227,810	215,383	-5.5%	6,138,346	6,155,384	0.3%	63.04	63.22	0.3%

Absolute Energy Consumption

			Landlord Electricity (kWh)			Occupier Electricity (i.e. sub-metered to occupiers) (kWh)			Landlord-obtained Gas (kWh)			Occupier-obtained Gas (kWh)			Total Energy(kWh)			Energy Intensity (kWh/ m2)		
Indicator references			Elec-Abs			Elec-Abs			Fuels-Abs			Fuels-Abs			Fuels-Abs			Energy-Int		
Sector	Coverage 2019 (assets)	Coverage 2020 (assets)	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change
Industrial, Distribution warehouse	12 of 13	11 of 14	56,850	204,188	n/a[1]	14,672,885	14,351,695	n/a[1]	2,143.550	0	n/a[1]	2,911,710	5,129,756	n/a[1]	19,764,995	19,685,639	n/a[1]	61.51	62.84	n/a[1]

[1] Absolute figures for 2019 and 2020 are not directly comparable due to the increase in the number of assets in the portfolio and differences in the timing of billing.

Greenhouse gas emissions, like-for-like

GHG emissions decreased 3% year on year, primarily due to the installation of solar panels by the tenant in Waddinxveen in the course of 2019.

			Scope 1 Emissions (tCO2)			Scope 2 Emissions (tCO2)			Scope 3 Emissions (tCO2)			Total Emissions (tCO2)			Emissions Intensity - Scopes 1, 2 & 3 (kgCO2/m2)		
Indicator references			GHG-Dir Like for Like			GHG-Indir Like for Like			GHG-Indir Like for Like			GHG Like for Like			GHG-Int Like for Like		
Sector	Coverage 2019 (assets)	Coverage 2020 (assets)	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change
Industrial, Business Parks	3 of 13	3 of 14	0	0	n/a	0	0	n/a	1,208	1,172	-3%	1,208	1,172	-3%	0.0124	0.0120	-3.0%

Absolute greenhouse gas emissions

			Scope 1 Emissions (tCO2)			Scope 2 Emissions (tCO2)			Scope 3 Emissions (tCO2)			Total Emissions (tCO2)			Emissions Intensity - Scopes 1, 2 & 3 (kgCO2/m2)		
Indicator references			GHG-Dir Abs			GHG-Indir Abs			GHG-Indir Abs			GHG Abs			GHG-Int		
Sector	Coverage 2019 (assets)	Coverage 2020 (assets)	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change	2019	2020	% Change
Industrial, Business Parks	12 of 13	11 of 14	393	0	n/a[1]	23	145	n/a[1]	4,877	6,326	n/a[1]	5,293	6,471	n/a[1]	0.016	0.021	n/a[1]

[1] Absolute figures for 2019 and 2020 are not directly comparable due to the increase in the number of assets in the portfolio and differences in the timing of billing.

Water Consumption, like-for-like

Water consumption has increased year on year by 6% following full occupation by the tenant of the building in Ede.

			Absolute Water Consumption (m3)				
Indicator reference			Water-Abs; Water-Int				
Sector	Coverage 2019 (assets)	Coverage 2020 (assets)	2019 (m3)	2019 intensity (litres/sqm)	2020 (m3)	2020 intensity (litres/sqm)	% Change
Industrial, Distribution warehouse	3 of 13	3 of 14	9,037	0.09	9,614	0.10	6.4%

Absolute Water Consumption

			Absolute Water Consumption (m3)				
Indicator reference			Water-Abs; Water-Int				
Sector	Coverage 2019 (assets)	Coverage 2020 (assets)	2019 (m3)	2019 intensity (litres/sqm)	2020 (m3)	2020 intensity (litres/sqm)	% Change
Industrial, Distribution warehouse	3 of 13	3 of 14	30,904	0.11	25,616	0.09	-17.1%

Sustainability Certifications

The below metric measures the percentage Gross Asset Value (GAV) of all properties held that have achieved a Green Building rating/certificate on completion compared to the percentage GAV for the whole portfolio during the reporting year. This includes stock recently acquired, held for the long term and those refurbished, developed or forward funded.

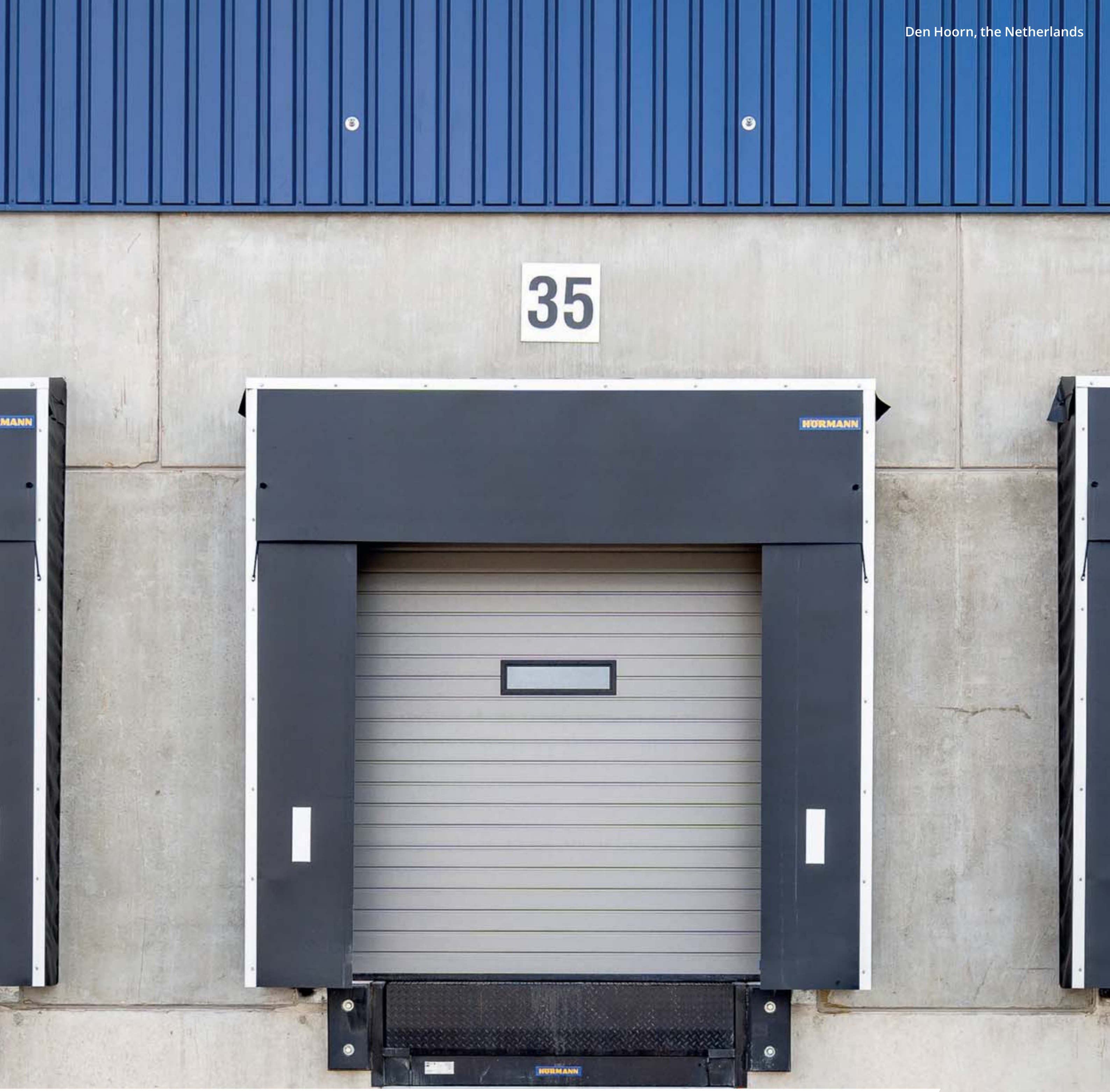
	2018	2019	2020
% AUM	17	39	40

Certified properties

Property	Unit	Certificate type	Rating
Flörsheim, Germany	Whole	DGNB	Gold
Noves (Avignon), France	Whole	HQE	Excellent
Leon, Spain	Whole	BREEAM	Good
Zeewolde, Netherlands	Whole	BREEAM	Very Good
Oss, Netherlands	Whole	BREEAM	Very Good
Warsaw, Poland	Whole	BREEAM	Good

Energy Performance Certificate (EPC) ratings for assets owned by the Company are shown below:

Energy Performance Certificate (EPC) rating	% Net Lettable Area (NLA)
A	42%
B	12%
C	3%
D	9%
E	0%
F	0%
G	0%
Germany Rating	15%
Poland Rating	13%



Den Hoorn, the Netherlands

Governance

The Directors, all of whom are non-executive and independent of the AIFM and Investment Manager, oversee the management of the Company and represent the interests of shareholders.

The business of the Company is to invest in high quality European logistics real estate to achieve the objective of providing shareholders with a regular and attractive level of income return together with the potential for long term income and capital growth. The Directors do not envisage any change in this activity in the foreseeable future. The Company is registered as a public limited company in England and Wales and is an investment company as defined by Section 833 of the Companies Act 2006. The Company is also a member of the Association of Investment Companies.

Warsaw (Poland), new building with DHL as main tenant

Your Board of Directors

Details of the current Directors, all of whom are non-executive and independent of the AIFM and Investment Manager, are set out below. The Directors oversee the management of the Company and represent the interests of shareholders.

Anthony Roper

Status: Independent Non-Executive Chairman

Length of service: Three years, appointed a Director on 8 November 2017 and Chairman on 11 June 2019

Experience: Tony started his career as a structural engineer with Ove Arup and Partners in 1983. In 1994 he joined John Laing plc to review and make equity investments in infrastructure projects both in the UK and abroad and then in 2006 he joined HSBC Specialist Investments ('HSIL') to be the fund manager for HICL Infrastructure Company Limited. In 2011, Tony was part of the senior management team that bought HSIL from HSBC, renaming it InfraRed Capital Partners.

Tony was a Managing Partner and a senior member of the infrastructure management team at InfraRed Capital Partners until June 2018. He remains a non-executive director for them on Affinity Water Limited. He holds a MA in Engineering from Cambridge University and is an ACMA.

Last re-elected to the Board: elected on 30 June 2020

Contribution:
The Nomination Committee has reviewed the contribution of Mr Roper in light of his forthcoming re-election at the AGM to be held in June 2021 and concluded that Mr Roper has continued to skilfully chair the Company through a turbulent year that has been unprecedented in the challenges that it has presented. Mr Roper's real estate and investment trust experience is deeply valued by his fellow Directors.

Committee membership: Management Engagement Committee and Nomination Committee

Remuneration: £49,000 per annum from 1 January 2021

All other public company directorships: SDCL Energy Efficiency Income Trust plc

Employment by the Investment Manager: None

Other connections with Trust or Investment Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 75,000 Ordinary shares

Caroline Gulliver

Status: Senior Independent Non-Executive Director

Length of service: Three years, appointed a Director on 8 November 2017

Experience: Caroline is a chartered accountant with over 25 years' experience at Ernst & Young LLP, latterly as an executive director before leaving in 2012. During that time, she specialised in the asset management sector and developed an extensive experience of investment trusts. She is a director of a number of other investment companies.

Last re-elected to the Board: elected on 30 June 2020

Contribution:
The Nomination Committee has reviewed the contribution of Ms Gulliver in light of her forthcoming re-election at the AGM to be held in June 2021 and concluded that Ms Gulliver has continued to expertly chair the Audit Committee through the year drawing on her significant wealth of financial and accounting experience.

Committee membership: Audit Committee (Chairman), Nomination Committee and Management Engagement Committee

Remuneration: £39,000 per annum from 1 January 2021

All other public company directorships: JP Morgan Global Emerging Markets Income Trust plc, International Biotechnology Trust plc and Civitas Social Housing PLC

Employment by the Investment Manager: None

Other connections with Trust or Investment Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 50,000 Ordinary shares

John Heawood

Status: Independent Non-Executive Director

Length of service: Three years, appointed a Director on 8 November 2017

Experience: John has 40 years' experience as a Chartered Surveyor advising a broad range of investors, developers and occupiers. He was a partner, and subsequently a director, of DTZ responsible for the London-based team dealing with industrial, logistics and business park projects across the UK. In 1996 he was appointed to the board of SEGRO plc and was responsible for its UK business for the next 12 years. From 2009-2013 he was managing director of the Ashtenne Industrial Fund, a £500 million multi-let industrial and logistics portfolio managed by Aviva on behalf of 13 institutional investors. John is currently a member of Council and member of the finance and general purposes committee of the Royal Veterinary College and a trustee of Marshalls Charity.

Last re-elected to the Board: elected on 30 June 2020

Contribution:
The Nomination Committee has reviewed the contribution of Mr Heawood in light of his forthcoming re-election at the AGM to be held in June 2021 and concluded that Mr Heawood has provided significant real estate experience and insight to the Board as well as expertly chairing the Management Engagement Committee.

Committee membership: Management Engagement Committee (Chairman), Audit Committee and Nomination Committee

Remuneration: £34,000 per annum from 1 January 2021

All other public company directorships: None

Employment by the Investment Manager: None

Other connections with Trust or Investment Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 40,000 Ordinary shares

Diane Wilde

Status: Independent Non-Executive Director

Length of service: Three years, appointed a Director on 8 November 2017

Experience: Diane was managing director at Gartmore Scotland Ltd, managing investment trust assets from 1993 – 2000. Following a period of managing similar assets at Aberdeen Asset Managers between 2000 and 2003, she joined Barclays Wealth as Head of Endowment Funds in Scotland, and managing clients in the multi asset space until 2014. She was an adviser at Allenbridge, an investment consulting firm until May 2018. She is also a board member of the Social Growth Fund, managed by Social Investment Scotland (SIS), a leading social enterprise and impact investor in Scotland and the United Kingdom.

Last re-elected to the Board: elected on 30 June 2020

Contribution:
The Nomination Committee has reviewed the contribution of Ms Wilde in light of her forthcoming re-election at the AGM to be held in June 2021 and concluded that Ms Wilde has provided significant investment trust insight to the Board's deliberations.

Committee membership: Audit Committee, Management Engagement Committee and Nomination Committee

Remuneration: £34,000 per annum from 1 January 2021

All other public company directorships: None

Employment by the Investment Manager: None

Other connections with Trust or Investment Manager: None

Shared Directorships with any other Trust Directors: None

Shareholding in Company: 50,000 Ordinary shares

Directors' Report

The Directors present their Report and the audited financial statements for the year ended 31 December 2020.

Results and Dividends

Details of the Company's results and dividends are shown on page 118 of this Annual Report. The dividend policy is disclosed in the Strategic Report on page 10.

Investment Trust Status

The Company was incorporated on 25 October 2017 (registered in England & Wales No. 11032222) and has been accepted by HM Revenue & Customs as an investment trust subject to the Company continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011/2999 for all financial periods commencing on or after 15 December 2017. The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 December 2020 so as to enable it to comply with the ongoing requirements for investment trust status.

Individual Savings Accounts

The Company has conducted its affairs so as to satisfy the requirements as a qualifying security for Individual Savings Accounts. The Directors intend that the Company will continue to conduct its affairs in this manner.

Share Capital

The Company's capital structure is summarised in note 16 to the financial statements. At 31 December 2020, there were 244,500,001 fully paid Ordinary shares of 1p each in issue. During the year no Ordinary shares were purchased in the market for treasury or cancellation and 10,000,000 new Ordinary shares were issued at a premium to NAV. Subsequent to the year end, on 17 March 2021, 18,450,000 new Ordinary shares were issued at a price of 105 pence per share, representing a premium to the prevailing NAV.

Voting Rights, Share Restrictions and Amendments to Articles of Association

Ordinary shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares carry a right to receive dividends. On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a takeover bid.

In accordance with the Companies Act, amendments to the Company's Articles of Association may only be made by shareholders passing a special resolution in general meeting.

Borrowings

A full breakdown of the Company's loan facilities is provided in note 14 to the financial statements on page 85.

Management Agreement

Under the terms of a Management Agreement dated 17 November 2017 between the Company and the AIFM, Aberdeen Standard Fund Managers Limited (and amended by way of side letters on 22 February 2019 and 25 May 2018), the AIFM was appointed to act as alternative investment fund manager of the Company with responsibility for portfolio management and risk management of the Company's investments. Under the terms of the Management Agreement, the AIFM may delegate portfolio management functions to the Investment Manager and is entitled to an annual management fee together with reimbursement of all reasonable costs and expenses incurred by it and the Investment Manager in the performance of its duties.

Pursuant to the terms of the Management Agreement, the AIFM is entitled to receive a tiered annual management fee (the "Annual Management Fee") calculated by reference to the Net Asset Value (as calculated under IFRS) on the following basis:

- On such part of the Net Asset Value that is less than or equal to €1.25 billion, 0.75 per cent. per annum.
- On such part of the Net Asset Value that is more than €1.25 billion, 0.60 per cent. per annum.

The Annual Management Fee is payable in Euros quarterly in arrears, save for any period which is less than a full calendar quarter.

The Company may terminate the Management Agreement by giving the AIFM not less than 12 months' prior written notice.

The AIFM has also been appointed by the Company under the terms of the Management Agreement to provide day-to-day administration services to the Company and provide the general company secretarial functions required by the Companies Act. In this role, the AIFM will provide certain administrative services to the Company which includes reporting the Net Asset Value, bookkeeping and accounts preparation. Effective from March 2020 accounting and administration services undertaken on behalf of the Company have been delegated to Brown Brothers Harriman.

The AIFM has also delegated the provision of the general company secretarial services to Aberdeen Asset Management PLC.

Risk Management

Details of the financial risk management policies and objectives relative to the use of financial instruments by the Company are set out in note 22 to the financial statements.

The Board

The current Directors, Ms Gulliver, Mr Heawood, Mr Roper and Ms Wilde were the only Directors who served during the year. In accordance with the Articles of Association, each Director will retire from the Board at the Annual General Meeting convened for 7 June 2021 and, being eligible, will offer himself or herself for re-election to the Board. In accordance with Principle 23 of the AIC's 2019 Code of Corporate Governance, each Director will retire annually and submit themselves for re-election at the AGM.

The Board considers that there is a balance of skills and experience within the Board relevant to the leadership and direction of the Company and that all the Directors contribute effectively.

In common with most investment trusts, the Company has no employees. Directors' & Officers' liability insurance cover has been maintained throughout the period at the expense of the Company.

The Role of the Chairman and Senior Independent Director

The Chairman is responsible for providing effective leadership to the Board, by setting the tone of the Company, demonstrating objective judgement and promoting a culture of openness and debate. The Chairman facilitates the effective contribution, and encourages active engagement, by each Director. In conjunction with the Company Secretary, the Chairman ensures that Directors receive accurate, timely and clear information to assist them with effective decision-making. The Chairman leads the evaluation of the Board and individual Directors, and acts upon the results of the evaluation process by recognising strengths and addressing any weaknesses. The Chairman also engages with major shareholders and ensures that all Directors understand shareholder views.

The Senior Independent Director acts as a sounding board for the Chairman and as an intermediary for other directors, when necessary. The Senior Independent Director takes responsibility for an orderly succession process for the Chairman, and leads the annual appraisal of the Chairman's performance and is also available to shareholders to discuss any concerns they may have.

Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code as published in July 2018 (the "UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: **frc.org.uk**.

The Board has also considered the principles and provisions of the AIC Code of Corporate Governance as published in February 2019 (the "AIC Code"). The AIC Code addresses the principles and provisions set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company. The AIC Code is available on the AIC's website: **theaic.co.uk**.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the FRC provides more relevant information to shareholders.

The Board confirms that, during the year, the Company complied with the principles and provisions of the AIC Code and the relevant provisions of the UK Code, except as set out below.

The UK Code includes provisions relating to:

- interaction with the workforce (provisions 2, 5 and 6);
- the need for an internal audit function (provision 26);
- the role and responsibility of the chief executive (provisions 9 and 14);
- previous experience of the chairman of a remuneration committee (provision 32); and
- executive directors' remuneration (provisions 33 and 36 to 40).

The Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

During the year ended 31 December 2020, the Board had four scheduled meetings and a further 16 ad hoc Board meetings as well as numerous update calls. In addition, the Audit Committee met three times and there was one meeting of the Management Engagement Committee and one meeting of the Nomination Committee. Between meetings the Board maintains regular contact with the Investment Manager. The Directors have attended the following scheduled Board meetings and Committee meetings during the year ended 31 December 2020 (with their eligibility to attend the relevant meeting in brackets):

Director	Board	Audit Committee	MEC	Nomination
T Roper[1]	4 (4)	0 (0)	1 (1)	1 (1)
C Gulliver	4 (4)	3 (3)	1 (1)	1 (1)
D Wilde	4 (4)	3 (3)	1 (1)	1 (1)
J Heawood	4 (4)	3 (3)	1 (1)	1 (1)

[1] Mr Roper is not a member of the Audit Committee but attended all meetings by invitation.

Policy on Tenure

The Board's policy on tenure is that Directors need not serve on the Board for a limited period of time only. The Board does not consider that the length of service of a Director is as important as the contribution he or she has to make, and therefore the length of service will be determined on a case-by-case basis. However, in accordance with corporate governance best practice and the future need to refresh the Board over time, it is currently expected that Directors will not typically serve on the Board beyond the Annual General Meeting following the ninth anniversary of their appointment.

Board Committees

Audit Committee

The Audit Committee Report is on pages 59 and 60 of this Annual Report.

Nomination Committee

All appointments to the Board of Directors are considered by the Nomination Committee which, due to the relatively small size of the Board, comprises all of the Directors and is chaired by the Chairman of the Company. The Nomination Committee advises the Board on succession planning, bearing in mind the balance of skills, knowledge and experience existing on the Board, and will make recommendations to the Board in this regard. The Nomination Committee also advises the Board on its balance of relevant skills, experience and length of service of the Directors serving on the Board. The Board's overriding priority when appointing new Directors in the future will be to identify the candidate with the best range of skills and experience to complement existing Directors. The Board recognises the benefits of diversity and its policy on diversity is disclosed in the Strategic Report on page 15.

The Committee has put in place the necessary procedures to conduct, on an annual basis, an appraisal of the Chairman of the Board, Directors' individual self evaluation and a performance evaluation of the Board as a whole and its Committees. In 2020 questionnaires covering the Board, individual Directors, the Chairman and the Audit Committee Chairman were completed. The Chairman then met each Director individually to review their responses whilst the Senior Independent Director met with the Chairman to review his performance. This evaluation highlighted certain areas of further focus such as continuing professional development but concluded that collectively the Board has a very relevant and appropriate balance of experience, knowledge of property markets, legal regulation, promotion and financial accounting and continues to work in an effective manner. The Company currently plans to conduct an externally facilitated evaluation during 2021.

In accordance with Principle 23 of the AIC's Code of Corporate Governance which recommends that all directors of investment companies should be subject to annual re-election by shareholders, all the members of the Board will retire at the forthcoming Annual General Meeting and will offer themselves for re-election. In conjunction with the evaluation feedback, the Committee has reviewed each of the proposed reappointments and concluded that each of the Directors has the requisite high level and range of business and financial experience and recommends their re-election at the forthcoming AGM. Details of the contributions provided by each Director during the year are disclosed on pages 46 and 47.

Management Engagement Committee

The Management Engagement Committee comprises all of the Directors and is chaired by Mr Heawood. The Committee reviews the performance of the Manager and Investment Manager and its compliance with the terms of the management and secretarial agreement. The terms and conditions of the Manager's appointment, including an evaluation of fees, are reviewed by the Committee on an annual basis. Based upon the competitive management fee and expertise of the Manager, the Committee believes that the continuing appointment of the Manager on the terms agreed is in the interests of shareholders as a whole. The Committee also at least annually reviews the Company's relationships with its other service providers. These reviews aim to ensure that services being offered meet the requirements and needs of the Company and performance is in line with the expectations of stakeholders.

Remuneration Committee

Under the FCA Listing Rules, where an investment trust has only non-executive directors, the Code principles relating to directors' remuneration do not apply. Accordingly, matters relating to remuneration are dealt with by the full Board, which acts as the Remuneration Committee.

The Company's remuneration policy is to set remuneration at a level to attract individuals of a calibre appropriate to the Company's future development. Further information on remuneration is disclosed in the Directors' Remuneration Report on pages 55 to 57.

Terms of Reference

The terms of reference of all the Board Committees may be found on the Company's website **eurologisticsincome.co.uk** and copies are available from the Company Secretary upon request. The terms of reference are reviewed and re-assessed by the relevant Board committee for their adequacy on an annual basis.

Going Concern

In accordance with the Financial Reporting Council's guidance the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Board has set limits for borrowing and regularly reviews the level of any gearing, cash flow projections and compliance with banking covenants.

The Directors are mindful of the principal risks and uncertainties disclosed on pages 11 to 14 and the Viability Statement on page 15 and 16 and have reviewed forecasts detailing revenue and liabilities and they believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and at least 12 months from the date of this Annual Report. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. In coming to this conclusion, the Board has also considered the impact where feasible of the COVID-19 pandemic. The Investment Manager is in contact with tenants and third party suppliers and continues to have a constructive dialogue with all parties. A range of scenarios have been modelled looking at possible impact to cash flows in the short to medium term and this is kept under regular review.

Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process, the Directors prepare a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his/her connected persons. The Board considers each Director's situation and decides on any course of action required to be taken if there is a conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his or her wider duties is affected. Each Director is required to notify the Company Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although Directors are issued with letters of appointment upon appointment. The Directors' interests in contractual arrangements with the Company are as shown in note 23 to the financial statements. No other Directors had any interest in contracts with the Company during the year or subsequently.

The Board has adopted appropriate procedures designed to prevent bribery. The Company receives periodic reports from its service providers on the anti-bribery policies of these third parties. It also receives regular compliance reports from the Manager.

The Criminal Finances Act 2017 has introduced the corporate criminal offence of "failing to take reasonable steps to prevent the facilitation of tax evasion". The Board has confirmed that it is the Company's policy to conduct all of its business in an honest and ethical manner. The Board takes a zero-tolerance approach to the facilitation of tax evasion, whether under UK law or under the law of any foreign country.

Accountability and Audit

The respective responsibilities of the Directors and the auditor in connection with the financial statements are set out on pages 58 and 68 respectively.

Each Director confirms that:

- so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware; and,
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Additionally there have been no important events since the period end that impact this Annual Report.

The Directors have reviewed the level of non-audit services provided by the independent auditor during the year amounting to nil (2019: €41,300 for reporting accountant services in connection with the issue of a Prospectus in 2019) and remain satisfied that the auditor's objectivity and independence is being safeguarded.

Independent Auditor

The auditor, KPMG LLP, has indicated its willingness to remain in office. The Directors will place a resolution before the Annual General Meeting to re-appoint KPMG LLP as auditor for the ensuing year, and to authorise the Directors to determine its remuneration.

Internal Control

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness and confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the year under review and up to the date of approval of this Annual Report and financial statements. It is regularly reviewed by the Board and accords with the FRC Guidance.

The Board has reviewed the effectiveness of the system of internal control. In particular, it has reviewed and updated the process for identifying and evaluating the significant risks affecting the Company and policies by which these risks are managed.

The Directors have delegated the investment management of the Company's assets to members of the Standard Life Aberdeen Group within overall guidelines, and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the Standard Life Aberdeen Group's internal audit function which undertakes periodic examination of business processes, including compliance with the terms of the management agreement, and ensures that recommendations to improve controls are implemented.

Risks are identified and documented through a risk management framework by each function within the Standard Life Aberdeen Group's activities. Risk includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any weaknesses identified are reported to the Board, and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The significant risks faced by the Company have been identified as being strategic; investment and asset management; financial; regulatory; and operational.

The key components of the process designed by the Directors to provide effective internal control are outlined below:

- the AIFM prepares forecasts and management accounts which allows the Board to assess the Company's activities and review its performance;
- the Board and AIFM have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board and there are meetings with the AIFM and Investment Manager as appropriate;
- as a matter of course the AIFM's compliance department continually reviews Aberdeen Standard Investments' operations and reports to the Board on a six monthly basis; and,
- written agreements are in place which specifically define the roles and responsibilities of the AIFM and other third party service providers and, where relevant, ISAE3402 Reports, a global assurance standard for reporting on internal controls for service organisations, or their equivalents are reviewed;
- the Board has considered the need for an internal audit function but, because of the compliance and internal control systems in place within Aberdeen Standard Investments, has decided to place reliance on the Manager's systems and internal audit procedures; and at its March 2021 meeting, the Audit Committee carried out an annual assessment of internal controls for the year ended 31 December 2020 by considering documentation from the AIFM, Investment Manager and the Depositary, including the internal audit and compliance functions and taking account of events since 31 December 2020. The results of the assessment, that internal controls are satisfactory, were then reported to the Board at the subsequent Board meeting.

Internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against mis-statement and loss.

Substantial Interests

The Board has been advised that the following shareholders owned 3% or more of the issued Ordinary share capital of the Company at 31 December 2020 (based upon 244,500,001 shares in issue):

Shareholder	No. of Ordinary shares held	% held
East Riding of Yorkshire	27,500,000	11.25
Brewin Dolphin Capital & Investments (Ireland)	22,179,361	9.07
CCLA Investment Management	18,923,387	7.74
Quilter Cheviot Investment Management	16,762,869	6.86
Canaccord Genuity Wealth Management	14,123,315	5.78
BlackRock	13,190,773	5,39
Brewin Dolphin, stockbrokers	9,765,815	3.99
Hargreaves Lansdown, stockbrokers (EO)	9,348,668	3.82
Aberdeen Standard Capital	8,606,001	3.52

On 14 January 2021 the Company was notified that the combined interests of Standard Life Aberdeen plc affiliated investment management entities were below 5%.

Following the Placing of new Ordinary shares on 17 March 2021, the Company is aware of the following substantial shareholders (based upon 262,950,001 shares in issue):

Shareholder	No. of Ordinary shares held	% held
East Riding of Yorkshire	28,000,000	10.65
Brewin Dolphin Capital & Investments (Ireland)	21,880,271	8.32
CCLA Investment Management	19,657,963	7.48
Quilter Cheviot Investment Management	18,238,144	6.94
Canaccord Genuity Wealth Management	15,128,769	5.75
BlackRock	13,274,441	5.05
Hargreaves Lansdown, stockbrokers (EO)	10,240,423	3.89
Brewin Dolphin, stockbrokers	10,209,184	3.88
Aberdeen Standard Capital	8,606,001	3.27

Save as disclosed, there have been no significant changes notified in respect of the above holdings between 31 December 2020 and 28 April 2021.

Relations with Shareholders

The Directors place a great deal of importance on communication with shareholders. The Annual Report will be widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up to date information on the Company through the freephone information service shown under Investor Information and the Company's website **eurologisticsincome.co.uk**.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of representatives of the Manager (including the Company Secretary and Investment Manager) in situations where direct communication is required and usually a representative from the Board is available to meet with major shareholders on an annual basis in order to gauge their views.

The Notice of the Annual General Meeting, included within the Annual Report and financial statements, is sent out at least 20 working days in advance of the meeting. In normal circumstances, all Shareholders normally have the opportunity to put questions to the Board or the Investment Manager, either formally at the Company's Annual General Meeting or at the subsequent buffet luncheon for Shareholders. This year, due to the UK Government's compulsory Stay at Home measures to manage the COVID-19 pandemic in the UK, Shareholders are unlikely to be able to attend the AGM and no refreshments will be provided. Shareholders are however invited to send any questions for the Board and or the Investment Manager on the Annual Report by email to European.Logistics@aberdeen-asset.com. The Company Secretary is available to answer general shareholder queries at any time throughout the year.

Annual General Meeting

Special Business Directors' Authority to Allot Relevant Securities

Approval is sought in Resolution 10, an ordinary resolution, to renew the Directors' existing general power to allot shares but will also provide a further authority (subject to certain limits) to grant rights to subscribe for or to convert any security into shares under a fully pre-emptive rights issue. The effect of Resolution 10 is to authorise the Directors to allot up to a maximum of 173,547,000 shares in total (representing approximately 66% (as at the latest practicable date before publication of this Annual Report) of the existing issued share capital of the Company), of which a maximum of 86,773,500 shares (approximately 33% (as at the latest practicable date before publication of this Annual Report) of the existing issued share capital of the Company) may only be applied other than to fully pre-emptive rights issues. This authority is renewable annually and will expire at the conclusion of the next Annual General Meeting in 2022, or 30 June 2022, whichever is earlier. The Directors do not have any immediate intention to utilise this authority.

Special Business Disapplication of Pre-emption Rights

Resolution 11 is a special resolution that seeks to renew the Directors' existing authority until the conclusion of the next Annual General Meeting to make limited allotments of shares for cash of up to a maximum of 26,295,000 shares representing 10% of the issued share capital (as at the latest practicable date before publication of this Annual Report) other than according to the statutory pre-emption rights which require all shares issued for cash to be offered first to all existing shareholders.

This authority includes the ability to sell shares that have been held in treasury (if any), having previously been bought back by the Company. The Board has established guidelines for treasury shares and will only consider buying in shares for treasury at a discount to their prevailing NAV and selling them from treasury at or above the then prevailing NAV.

New shares issued in accordance with the authority sought in Resolution 11 will always be issued at a premium to the NAV per Ordinary share at the time of issue. The Board will issue new Ordinary shares or sell Ordinary shares from treasury for cash when it is appropriate to do so, in accordance with its current policy. It is therefore possible that the issued share capital of the Company may change between the date of this document and the Annual General Meeting and therefore the authority sought will be in respect of 10% of the issued share capital as at the date of the Annual General Meeting rather than the date of this document. This authority is renewable annually and will expire at the conclusion of the next Annual General Meeting in 2022 or 30 June 2022, whichever is earlier.

Special Business Purchase of the Company's Shares

Resolution 12 is a special resolution proposing to renew the Directors' authority to make market purchases of the Company's shares in accordance with the provisions contained in the Companies Act 2006 and the Listing Rules of the Financial Conduct Authority. The minimum price to be paid per Ordinary share by the Company will not be less than £0.01 per share (being the nominal value) and the maximum price should not be more than the higher of (i) an amount equal to 5% above the average of the middle market quotations for an Ordinary share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out.

The Directors do not intend to use this authority to purchase the Company's Ordinary shares unless to do so would result in an increase in NAV per share and would be in the interests of Shareholders generally. The authority sought will be in respect of 14.99% of the issued share capital as at the date of the Annual General Meeting rather than the date of this document.

The authority being sought in Resolution 12 will expire at the conclusion of the Annual General Meeting in 2022 or June 2022, whichever is earlier unless it is renewed before that date. Any Ordinary shares purchased in this way will either be cancelled and the number of Ordinary shares will be reduced accordingly or under the authority granted in Resolution 11 above, may be held in treasury.

If Resolutions 10 to 12 are passed then an announcement will be made on the date of the Annual General Meeting which will detail the exact number of Ordinary shares to which each of these authorities relates.

These powers will give the Directors additional flexibility going forward and the Board considers that it will be in the interests of the Company that such powers be available. Such powers will only be implemented when, in the view of the Directors, to do so will be to the benefit of Shareholders as a whole.

Special Business Notice of Meetings

Resolution 13 is a special resolution seeking to authorise the Directors to call general meetings of the Company (other than Annual General Meetings) on 14 days' clear notice. This approval will be effective until the Company's next Annual General Meeting in 2022 or 30 June 2022 whichever is earlier. In order to utilise this shorter notice period, the Company is required to ensure that Shareholders are able to vote electronically at the general meeting called on such short notice. The Directors confirm that, in the event that a general meeting is called, they will give as much notice as practicable and will only utilise the authority granted by Resolution 13 in limited and time sensitive circumstances.

Dividend Policy

As a result of the timing of the payment of the Company's quarterly dividends, the Company's Shareholders are unable to approve a final dividend each year. In line with good corporate governance, the Board therefore proposes to put the Company's dividend policy to Shareholders for approval at the Annual General Meeting and on an annual basis.

Resolution 3 is an ordinary resolution to approve the Company's dividend policy. The Company's dividend policy shall be that dividends on the Ordinary Shares are payable quarterly in relation to periods ending March, June, September and December and the last dividend referable to a financial year end will not be categorised as a final dividend that is subject to Shareholder approval. It is intended that the Company will pay quarterly dividends consistent with the expected annual underlying portfolio yield. The Company has the flexibility in accordance with its Articles to make distributions from capital.

Shareholders should note that references to "dividends" are intended to cover both dividend income, and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.

Recommendation

Your Board considers Resolutions 10 to 13 to be in the best interests of the Company and its members as a whole and most likely to promote the success of the Company for the benefit of its members as a whole. Accordingly, your Board unanimously recommends that Shareholders should vote in favour of Resolutions 10 to 13 to be proposed at the AGM, as they intend to do in respect of their own beneficial shareholdings amounting to 215,000 Ordinary shares.

By order of the Board

Aberdeen Asset Management PLC - Secretaries
Bow Bells House
1 Bread Street
London EC4M 9HH

28 April 2021

Directors' Remuneration Report

The Board has prepared this report in accordance with the regulations governing the disclosure and approval of Directors' remuneration. This Directors' Remuneration Report comprises three parts:

1. **Remuneration Policy**
   Which is subject to a binding shareholder vote every three years (or sooner if varied during this interval) – approved by Shareholders at the AGM held on 11 June 2019;

2. **Implementation Report**
   Which provides information on how the Remuneration Policy has been applied during the period and which is subject to an advisory vote on the level of remuneration paid during the period; and

3. **Annual Statement**
   The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The auditor's opinion is included in the report on page 66.

Remuneration Policy

The Directors' Remuneration Policy takes into consideration the principles of UK Corporate Governance and there have been no changes to the policy during the period nor are there any changes proposed for the foreseeable future. No shareholder views were sought in setting the remuneration policy although any comments received from shareholders are considered by the Board.

As the Company has no employees and the Board is comprised wholly of non-executive Directors and, given the size and nature of the Company, the Board has not established a separate Remuneration Committee. Directors' remuneration is determined by the Board as a whole.

The Directors are non-executive and the Company's Articles of Association limit the annual aggregate fees payable to the Board of Directors to £300,000 per annum. This cap may be increased by shareholder resolution from time to time.

Fees payable to Directors in respect of the year ended 31 December 2020 were:

	£
Chairman	47,000
Chairman of Audit Committee	38,000
Director	33,000

Subject to this overall limit, the Board's policy is that the remuneration of non-executive Directors should reflect the nature of their duties, responsibilities and the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have a similar investment objective.

Appointment

- The Company only appoints non-executive Directors.
- Directors must retire and be subject to election at the first AGM after their appointment, and voluntarily submit themselves for annual re-election.
- New appointments to the Board will be placed on the fee applicable to all Directors at the time of appointment (£34,000).
- No incentive or introductory fees will be paid to encourage a Directorship.
- The Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
- Directors are entitled to re-imbursement of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of duties, as a Director of the Company.

Performance, Service Contracts, Compensation and Loss of Office

- The Directors' remuneration is not subject to any performance-related fee.
- No Director has a service contract.
- No Director has an interest in any contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed upon three months' notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or to any assets of the Company.

Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors. Under the Articles, the Company indemnifies each of the Directors out of the assets of the Company against any liability incurred by them as a Director in defending proceedings or in connection with any application to the Court in which relief is granted and separate deeds of indemnity exist in this regard between the Company and each Director.

Implementation Report

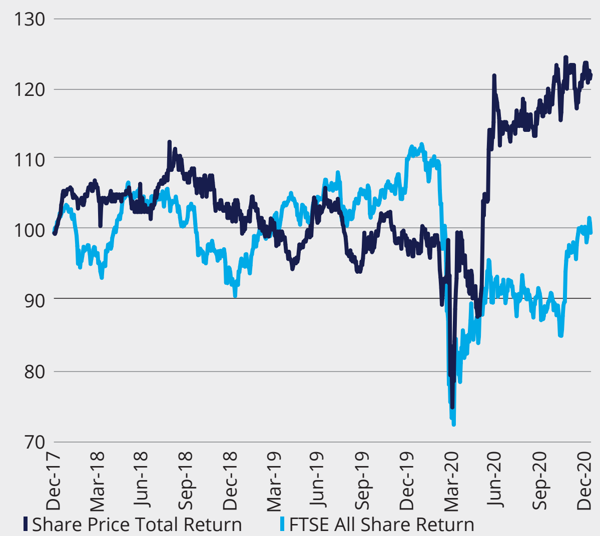
Directors' Fees

The Board has carried out an annual review of the level of fees payable to Directors including a review of comparable peer group directors' fees. The Board concluded that, with effect from 1 January 2021 the annual fees payable to Directors should be increased to: Chairman £49,000, Audit Committee Chairman £39,000, Directors £34,000. This increase is benchmarked against other similar investment company roles and ensures that fees remain attractive enough to attract the required calibre of experienced non executive director when required. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Company Performance

The following chart illustrates the total shareholder return (including reinvested dividends) for a holding in the Company's shares as compared to the FTSE All Share Index for the period from launch to 31 December 2020 (rebased to 100 at launch). Given the absence of any meaningful index with which to compare performance, the FTSE All Share index is deemed to be the most appropriate one against which to measure the Company's performance.

Inception to 31 December 2020



Source: Aberdeen Standard Investments, Factset.

Statement of Voting at Annual General Meeting

At the Company's AGM held on 30 June 2020, Shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy which was approved at the AGM held on 11 June 2019) in respect of the period ended 31 December 2019. The following proxy votes were received on the resolutions:

Resolution	For*	Against	Withheld
(2) Receive and Adopt Directors' Remuneration Report	109.8m (99.9%)	69,791 (0.1%)	29,058
(3) Approve Directors' Remuneration Policy**	68.3m (99.9%)	31,447 (0.0%)	27,060

* Including discretionary votes.
** approved at the AGM held on 11 June 2019.

Spend on Pay

Fees Payable (Audited)

The Directors received the following fees which exclude employers' NI and any VAT payable for the year ended 31 December 2020 and the year ended 31 December 2019:

Fees are pro-rated where a change takes place during a financial year.

Director	2020 £	2019 £
T Roper[1]	47,000	35,556
C Gulliver	38,000	35,000
J Heawood	33,000	30,000
D Wilde	33,000	30,000
P Duval[2]	-	17,889
Total	**151,000**	**148,445**

[1] Tony Roper was appointed Chairman on 11 June 2019.
[2] Retired as Chairman and as a Director on 11 June 2019.

In euro terms the Directors were paid €169,026 (2019: €170,192).

The table below shows the actual expenditure in the year in relation to Directors' remuneration and shareholder dividends.

	2020 €	2019 €
Directors' Fees paid	169,026	170,192
Dividends paid	13,508,000	12,112,000

Sums Paid to Third Parties

None of the fees disclosed above were payable to third parties in respect of making available the services of the Directors.

Annual Percentage Change in Directors' Remuneration

The table below sets out the annual percentage change in Directors' fees for the past year over those for 2019. These increases reflected the lower level of fees paid from the initial public offering and were the first increases implemented.

	Year ended 31 December 2020 %
T Roper[1]	32.2
C Gulliver	8.6
J Heawood	10.0
D Wilde	10.0

[1] Tony Roper was appointed Chairman on 11 June 2019.

Directors' Interests in the Company (Audited)

The Directors are not required to have a shareholding in the Company. The Directors' interests in contractual arrangements with the Company are as shown in note 23 to the financial statements. The Directors (including connected persons) at 31 December 2020 had no interest in the share capital of the Company other than those interests, all of which are beneficial interests, shown in the table below.

	31 December 2020 Ordinary shares	31 December 2019 Ordinary shares
T Roper	55,000	45,000
C Gulliver	40,000	40,000
J Heawood	30,000	30,000
D Wilde	40,000	40,000

Following the Placing of new Ordinary shares on 17 March 2021, Mr Roper is interested in 75,000 shares, Ms Gulliver is interested in 50,000 shares, Mr Heawood is interested in 40,000 shares and Ms Wilde is interested in 50,000 shares.

These interests were unchanged at 28 April 2021, being the nearest practicable date prior to the signing of this Report.

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, I confirm that the above Report on Remuneration Policy and Remuneration Implementation summarises, as applicable, for the year ended 31 December 2020:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the period; and
- the context in which the changes occurred and in which decisions have been taken.

Tony Roper
Chairman

28 April 2021

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

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

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards, 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 Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors' Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the group's position and performance, business model and strategy.

By order of the Board
Tony Roper

28 April 2021

Report of the Audit Committee

I am pleased to present the report of the Audit Committee for the year ended 31 December 2020 which has been prepared in compliance with applicable legislation.

Committee Composition

The Audit Committee comprised three independent Directors at the period end: Mr Heawood, Ms Wilde and myself (Ms Gulliver) as Chairman. The Directors have satisfied themselves that at least one of the Committee's members has recent and relevant financial experience. I am a member of the Institute of Chartered Accountants of Scotland (ICAS) and I confirm that the Audit Committee as a whole has competence relevant to the investment trust sector and that at least one member has competence in accounting.

Functions of the Committee

The principal function of the Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on an annual basis. Copies of the terms of reference are published on the Company's website.

The Committee's main audit review functions are listed below:

- to review and monitor the internal control systems and risk management systems (including review of non-financial and emerging risks) on which the Company is reliant;
- to develop and implement policy on the engagement of the Auditor to supply non-audit services. Non-audit fees of nil (2019: €41,300 for reporting accountant services in connection with the issue of a Prospectus in 2019). The Audit Committee reviews and approves the provision of all non-audit services in the light of the potential for such services to impair the Auditor's independence;
- to consider annually whether there is a need for the Company to have its own internal audit function;
- to review and challenge the investment valuation process employed by the Investment Manager;
- to monitor the integrity of the half-yearly and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Investment Manager;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, interim reports, announcements and related formal statements;
- to review the content of the Half Yearly Report and Annual Report and Financial Statements and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy;
- to meet with the auditor to review their proposed audit programme of work and the findings of the auditor. The Committee shall also use this as an opportunity to assess the effectiveness of the audit process;
- to review a statement from the Manager detailing the arrangements in place within the AIFM whereby the AIFM staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters ("whistleblowing");
- to make recommendations in relation to the appointment of the auditor and to approve the remuneration and terms of engagement of the auditor;
- to monitor and review annually the auditor's independence, objectivity, effectiveness, resources and qualification; and
- to investigate, when an auditor resigns, the reasons giving rise to such resignation and consider whether any action is required.

Activities During the Period

The Audit Committee met three times during the period when it considered the Half Yearly Report in detail, reviewed the auditor's audit planning report and reviewed the Annual Report and financial statements. The reviews of the Half Yearly Report and Annual Report included detailed work in relation to the Going Concern status and viability of the Company as well significant oversight of the preparation of the financial statements. Representatives of the AIFM's internal audit, risk and compliance departments reported to the Board at these meetings on matters such as internal control systems,
risk and the conduct of the business in the context of its regulatory environment. The Audit Committee continues to believe that the Company does not require an internal audit function of its own as it delegates its day to day operations to third parties from whom it receives internal controls reports.

Review of Internal Control Systems and Risk

The Committee considers the internal control systems and a matrix of risks at each of its meetings. There is more detail on the process of these reviews in the Directors' Report. In addition, details of the principal risks faced by the Company can be found within the Strategic Report on pages 11 to 13.

Financial Statements and Significant Issues

During its review of the Company's financial statements for the year ended 31 December 2020, the Audit Committee considered the following significant issues, including, in particular, those communicated by the Auditor as key areas of audit emphasis during their planning and reporting of the period end audit.

Valuation of Investment Property – The valuation of the Group's investment properties is performed by an independent external valuer in accordance with the RICS Red Book. The valuation of investment property requires significant judgement and estimates by the independent valuer. The Audit Committee is responsible for reviewing and challenging the investment valuation process employed. The independent valuer is appointed by the Investment Manager and its direct property pricing committee is responsible for ensuring that the valuation is independent, fair and compliant with the ASI valuation policies. Portfolio managers are responsible for correcting any matters of factual inaccuracy during the valuation process but are not permitted to express any opinion in relation to the valuation itself.

Recoverability of Intercompany Loans – The carrying amount of the intercompany loan balance represents 61.1% of the parent company's total assets. Their recoverability is not at a high risk of significant misstatement or subject to significant judgement. In structuring the intercompany loan arrangements the Manager has received specialist advice and is therefore confident of the recoverability of these loans.

Review of Financial Statements

The Committee is responsible for the preparation of the Company's Annual Report. The process is extensive, requiring input from a number of different third party service providers. The Committee reports to the Board on whether, taken as a whole, the Annual Report and financial statements are fair, balanced and understandable. In so doing, the Committee has considered the following matters:

- the existence of a comprehensive control framework surrounding the production of the Annual Report and financial statements which includes a number of different checking processes;
- the existence of extensive levels of reviews as part of the production process involving the depositary, the AIFM, the Company Secretary and the auditor as well as the Committee's own expertise;
- the controls in place within the various third party service providers to ensure the completeness and accuracy of the financial records and the security of the Company's assets;
- the externally audited internal control reports of Standard Life Aberdeen plc, and related service providers.

The Committee has reviewed the Annual Report and the work undertaken by the third party service providers and is satisfied that, taken as a whole, the Annual Report and financial statements is fair, balanced and understandable. The Committee has reported its findings to the Board which in turn has made its own statement in this regard in the Directors' Responsibility Statement on page 58.

Review of Auditor

The Audit Committee has reviewed the effectiveness of the Auditor including:

- **Independence**: the Auditor discusses with the Audit Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards;
- **Quality of audit work:** (i) the ability to resolve issues in a timely manner – the Audit Committee is confident that identified issues are satisfactorily and promptly resolved; (ii) its communications/presentation of outputs – the Audit Committee is satisfied that the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensible; and (iii) working relationship with management – the Audit Committee is satisfied that the Auditor has a constructive working relationship with the Investment Manager; and,
- **Quality of people and service including continuity and succession plans:** the Audit Committee is satisfied that the audit team is made up of sufficient, suitably experienced staff.

The Audit Committee therefore supports the recommendation to the Board that the reappointment of the Auditor be put to Shareholders for approval at the AGM.

Tenure of the Auditor

KPMG has held office as auditor since the incorporation of the Company in 2017. In accordance with present professional guidelines the audit partner will be rotated after no more than five years and the year ended 31 December 2020 is the first year for which the present partner has served. The Committee considers KPMG, the Company's auditor, to be independent of the Company. Companies Act legislation requires listed companies to tender the audit every 10 years and rotate after a maximum of 20 years. The Committee therefore expects to conduct a tender for audit services by 2027 at the latest.

Caroline Gulliver
Audit Committee Chairman

28 April 2021

Madrid, Spain

Financial Statements

The audited Net Asset Value ("NAV") per Share as at 31 December 2020 was €1.20 (GBp 107.95p), compared with the NAV per Share of €1.11 (GBp 94.2p) at the end of 2019, reflecting, with the interim dividends declared, a NAV total return of 13.6% for the year in euro terms.

Independent Auditor's Report to the Members of Aberdeen Standard European Logistics Income PLC

Independent auditor's report

to the members of Aberdeen Standard European Logistics Income Plc

1. Our opinion is unmodified

We have audited the financial statements of Aberdeen Standard European Logistics Income Plc ("the Company") for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity, and the related notes,including the accounting policies in note 1.

In our opinion:

— the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and the Group's net return for the year then ended;

— The Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;

— the Parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework (*The Financial Reporting Standard applicable in the UK and Republic of Ireland*); and

— the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation to the extent applicable.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the shareholders on 14 November 2017. The period of total uninterrupted engagement is for the three financial years ended 31 December 2020. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview		
Materiality: group financial statements as a whole	€4.8m (2019:€3.8m) 1% (2019: 1%) of Total Assets	
Coverage	100% of Group total assets	
Key audit matters	**vs 2019**	
Recurring risks	Valuation of investment properties.	◄►
	Recoverability of Parent Company's intercompany loans due from Group Entities.	◄►

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters..

	The risk	Our response
Valuation of investment properties *(Group Key Audit Matter)* €448m (2019: €348m) Refer to page 59 (Audit Committee Report), page 76 (accounting policy) and page 82 (financial disclosures).	***Subjective valuation*** *The carrying amount of the Group's property portfolio makes up 92.6% (2020: 91.0%) of the Group's total assets by value.* *Valuations of the Group's investment properties are performed by an external valuation advisor in accordance with the RICS Red Book.* *The valuation of investment property requires significant judgement and estimates by management and the external valuation advisor. As a result there is an inherent risk that the subjective assumptions used in the calculations of fair value are inappropriate.* *The effect of these matters is that, as part of our risk assessment, we have determined that the valuation of investment properties has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements disclose the sensitivity of the estimate to changes in the equivalent yield rate.*	We performed the detailed tests below rather than seeking to rely on controls, because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described: **1. Understanding of valuation approach:** Inquiries with the Group's external valuation advisor to understand the assumptions and methodologies used in valuing the investment properties and the market evidence used by the external valuation advisor to support their assumptions. We also obtained an understanding of the directors' involvement in the valuation process to assess whether appropriate oversight has occurred. **2. Assessing valuation advisor's credentials:** Critically assessing the independence, professional qualifications, competence and experience of the external valuation advisor used by the Group. **3. Methodology choice:** Critically assessing the methodology used by the external valuation advisor by considering whether their valuations were in accordance with the RICS Valuation – Global Standards ('the Red Book') and relevant accounting standards. **4. Benchmarking assumptions:** Challenging the key assumptions upon which the valuations were based, including those relating to Estimated Rental Value ('ERV') and yield rates by making a comparison to our own assumptions independently derived from market data. **5. Input assessment:** Agreeing observable inputs used in the valuations, such as rental income, lease incentives, break clauses and lease lengths back to lease agreements for a sample of leases. **6. Disclosure assessment:** We also considered the adequacy of the Group's disclosures about the degree of estimation and sensitivity to key assumptions made when valuing the investment properties. **Our results** We found the Group's valuation of investment properties to be acceptable (2019: acceptable).

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	The risk	Our response
Valuation of Parent Company's loans due from Group entities *(Parent Company Key Audit Matter)* €153.8m (2019: €194m) Refer to page 60 (Audit Committee Report), page 77 (accounting policy) and page 85 (financial disclosures).	***Low risk, high value*** *The carrying amount of the intercompany loan balance represents 61% (2019: 79%) of the Parent Company's total assets. The intercompany loans are measured at fair value, which is subject to management judgement, albeit the loans are repayable on demand and have no access to upside value from the borrowers, the key risk to measurement is if the borrower could not repay them.* *Due to their materiality in the context of the parent Company financial statements, this is considered to be the area that requires the greatest effort in the Parent Company audit and is hence a KAM .*	We performed the detailed tests below rather than seeking to rely on controls, because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described: **Tests of detail:** • Checking whether the borrowers have a positive net asset value – and the headroom of this over the debt owed. **Our results:** We found the measurement of the Parent Company loans to be acceptable (2019: acceptable).

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at €4.8m (2019: €3.8m), determined with reference to a benchmark of total assets, of which it represents 1% (2019: 1%).

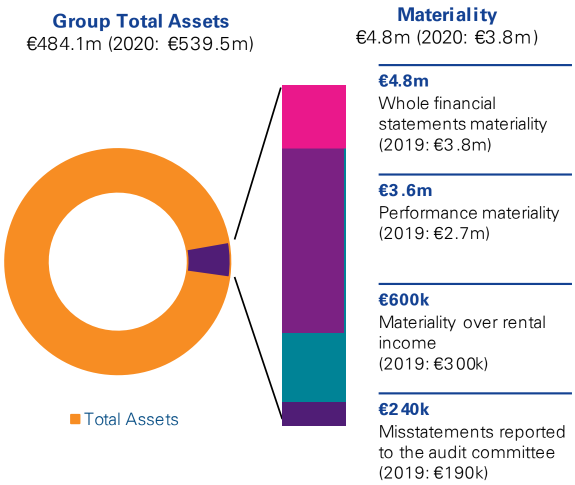
Materiality for the Parent Company financial statements as a whole was set at €2.5m (2019: €2.5m), determined with reference to a benchmark of total assets, of which it represents 1% (2019: 1%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Group and Parent Company performance materiality was set at 75% (2019: 75%) of materiality for the financial statements as a whole, which equates to €3.6m (2019: €2.7m), (Parent Company €1.9m (2019: €1.9m)). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

In addition, we applied a materiality of €600k (2019: €300k) to apply to the rental income account for which we believe misstatements of a lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the Company's members' assessment of the financial performance of the Group. Performance materiality over rental income was set at 75% (2019: 75%) of rental income materiality, which equates to €450k (2019: €225k)

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding €240k (2019: €190k), in addition to other identified misstatements that warranted reporting on qualitative grounds, Parent Company €125k (2019: €120k) and rental income €60k (2019: €30k).

The Group team performed the audit of the Group as if it was a single aggregated set of financial information. The audit was performed using the materiality levels set out above and was performed by our team based in the United Kingdom.



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4. We have nothing to report on going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or the Group or to cease their operations, and as they have concluded that the Company's and the Group's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group and Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group or the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources and its ability to operate over this period were:

- The impact of a significant reduction in the valuation of investment property due to impact of Covid-19 and the implications for the Group's loan covenants; and
- The risk of future non-payment of rent by tenants thereby impacting the liquidity position of the Group and Parent Company, as well as the resulting effect of non compliance with interest cover covenants.

We considered whether these risks could plausibly affect the liquidity in the going concern period by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current & projected cash position and loan covenant headroom (and the results of their reverse stress testing).

We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and related sensitivities.

Our conclusions based on this work:

- We consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Company's ability to continue as a going concern for the going concern period;
- We have nothing material to add or draw attention to in relation to the Directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group's and Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- The related statement under the Listing Rules set out on pages 50 and 51 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Directors, the Administrator and the Group's and Parent Company's Investment Manager; and
- Reading Board and Audit Committee minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular to the risk that management may be in a position to make inappropriate accounting entries. We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We substantively tested all material post-closing entries and, based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

KPMG

5. Fraud and breaches of laws and regulations – ability to detect (continued)

On this audit we have rebutted the fraud risk related to revenue recognition because the Group's primary revenue stream, rental income, is simple in nature with respect to accounting policy choice and variable amounts are verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any significant unusual transactions or additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors, the Investment Manager and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and its qualification as an Investment Trust under UK taxation legislation, any breach of which could lead to the Company losing various deductions and exemptions from UK corporation tax, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We assessed the legality of the distributions made by the Group in the period based on comparing the dividends paid with the distributable reserves prior to each distribution, including consideration of interim accounts filed during the year.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, bribery and corruption legislation, landlord and tenant legislation, building regulations, environmental protection legislation, including emissions trading and Climate Change Act 2008 and certain aspects of company legislation recognising the financial and regulated nature of the Group's and Company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and Directors' report

Based solely on our work on the other information:

— we have not identified material misstatements in the strategic report and the Directors' report;

— in our opinion the information given in those reports for the financial year is consistent with the financial statements; and

— in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

KPMG

6. **We have nothing to report on the other information in the Annual Report (continued)**

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

— the Directors' confirmation within the Viability Statement on pages 11 and 15 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;

— the Principal and Emerging Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and

— the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group and Parent Company, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group and Parent Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement, set out on page 15 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

— the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;

— the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and

— the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

7. **We have nothing to report on the other matters on which we are required to report by exception**

Under the Companies Act 2006, we are required to report to you if, in our opinion:

— adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

— the parent Company financial statements and the part of the Directors' Remuneration Report to be audited 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 these respects.

KPMG

8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 58 , the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group'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 they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities.

9. The purpose of our audit work and to whom we owe our responsibilities

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.

Matthew Williams (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

28 April 2021

Financial Statements

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2020

		Year ended 31 December 2020			Year ended 31 December 2019		
	Notes	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
REVENUE							
Rental income		20,257	-	20,257	13,376	-	13,376
Property service charge income		3,096	-	3,096	2,233	-	2,233
Other operating income		47	-	47	23	-	23
Total Revenue	2	23,400	-	23,400	15,632	-	15,632
GAINS ON INVESTMENTS							
Gains on revaluation of investment properties	9	-	32,878	32,878	-	16,852	16,852
Total Income and gains on investments		**23,400**	**32,878**	**56,278**	**15,632**	**16,852**	**32,484**
EXPENDITURE							
Investment management fee		(2,066)	-	(2,066)	(1,695)	-	(1,695)
Direct property expenses		(1,305)	-	(1,305)	(265)	-	(265)
Property service charge expenditure		(3,096)	-	(3,096)	(2,233)	-	(2,233)
SPV property management fees		(139)	-	(139)	(154)	-	(154)
Other expenses	3	(1,290)	-	(1,290)	(1,728)	-	(1,728)
Total expenditure		(7,896)	-	(7,896)	(6,075)	-	(6,075)
Net operating return before finance costs		**15,504**	**32,878**	**48,382**	**9,557**	**16,852**	**26,409**
FINANCE COSTS							
Finance costs	4	(2,545)	-	(2,545)	(1,411)	-	(1,411)
Effect of foreign exchange differences		(892)	301	(591)	-	-	-
Net return before taxation		12,067	33,179	45,246	8,146	16,852	24,998
Taxation	5	(228)	(9,629)	(9,857)	(415)	(4,662)	(5,077)
Net return for the year		**11,839**	**23,550**	**35,389**	**7,731**	**12,190**	**19,921**
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS							
Currency translation differences on initial capital proceeds		-	-	-	-	136	136
Currency translation on conversion of distribution payments		-	-	-	-	(328)	(328)
Effect of foreign exchange differences		-	-	-	(300)	-	(300)
Other comprehensive income		-	-	-	(300)	(192)	(492)
Total comprehensive return for the period		**11,839**	**23,550**	**35,389**	**7,431**	**11,998**	**19,429**
Basic and diluted earnings per share	7	**4.95¢**	**9.84¢**	**14.79¢**	**3.72¢**	**5.86¢**	**9.58¢**

The accompanying notes are an integral part of the financial statements.

The total column of the Consolidated Statement of Comprehensive Income is the profit and loss account of the Group.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year.

Consolidated Balance Sheet

As at 31 December 2020

	Notes	As at 31 December 2020 Total €'000	As at 31 December 2019 Total €'000
NON-CURRENT ASSETS			
Investment properties	9	448,418	348,519
Deferred tax asset	5	1,425	-
Total non-current assets		**449,843**	**348,519**
CURRENT ASSETS			
Trade and other receivables	10	9,286	9,883
Cash and cash equivalents	11	24,874	24,579
Other Assets		75	-
Derivative financial assets		26	-
Total current assets		**34,261**	**34,462**
Total assets		**484,104**	**382,981**
CURRENT LIABILITIES			
Lease liability	12	550	-
Trade and other payables	13	8,291	9,352
Derivative financial instruments	15	-	8
Total current liabilities		**8,841**	**9,360**
NON-CURRENT LIABILITIES			
Bank Loans	14	143,331	107,916
Lease liability	12	22,620	-
Deferred tax liability	5	15,716	5,428
Total non-current liabilities		**181,667**	**113,344**
Total liabilities		**190,508**	**122,704**
Net assets		**293,596**	**260,277**
SHARE CAPITAL AND RESERVES			
Share capital	16	2,756	2,645
Share premium	17	61,691	50,364
Special distributable reserve	18	185,661	191,579
Capital reserves	19	31,768	8,218
Revenue reserve		11,720	7,471
Equity shareholders' funds		**293,596**	**260,277**
Net asset value per share	8	**€ 1.20**	**€ 1.11**

The Financial Statements on pages 69 to 103 were approved and authorised for issue by the Board of Directors on 28 April 2021 and signed on its behalf by:

Caroline Gulliver
Independent Non-Executive Director

Company number: 11032222
The accompanying notes are an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2020

	Notes	Share capital €'000	Share premium €'000	Special distributable reserve €'000	Capital reserve €'000	Revenue reserve €'000	Total €'000
Balance at 31 December 2019		2,645	50,364	191,579	8,218	7,471	260,277
Share Issue	16/17	111	11,442	-	-	-	11,553
Share Issue costs	17	-	(115)	-	-	-	(115)
Total Comprehensive return for the period		-	-	-	23,550	11,839	35,389
Dividends paid	6	-	-	(5,918)	-	(7,590)	(13,508)
Balance at 31 December 2020		**2,756**	**61,691**	**185,661**	**31,768**	**11,720**	**293,596**

For the year ended 31 December 2019

	Notes	Share capital €'000	Share premium €'000	Special distributable reserve €'000	Capital reserve €'000	Revenue reserve €'000	Total €'000
Balance at 31 December 2018		2,122	-	203,691	(3,780)	40	202,073
Share Issue	15/16	523	51,147	-	-	-	51,670
Share Issue costs	16	-	(783)	-	-	-	(783)
Total Comprehensive return for the year		-	-	-	11,998	7,431	19,429
Dividends paid	6	-	-	(12,112)	-	-	(12,112)
Balance at 31 December 2019		**2,645**	**50,364**	**191,579**	**8,218**	**7,471**	**260,277**

The accompanying notes are an integral part of the financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	Notes	Year ended 31 December 2020 €'000	Year ended 31 December 2019 €'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net gain for the period before taxation		45,246	19,921
Adjustments for:			
Gains on investment properties		(32,878)	(16,852)
Land Leasehold Liability decreases		257	-
Decrease in operating trade and other receivables		1,215	1,796
(Decrease)/Increase in operating trade and other payables		(1,270)	6,123
Finance costs	4	2,545	1,411
Tax paid		(106)	-
Cash generated by operations		15,009	12,399
Net cash inflow from operating activities		**15,009**	**12,399**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investment properties		(46,223)	(182,749)
Derivative financial instruments		(34)	8
Currency translation differences		-	(492)
Net cash outflow from investing activities		**(46,257)**	**(183,233)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	6	(13,508)	(12,112)
Bank loans interest paid		(1,588)	(1,411)
Bank loans drawn		35,201	107,916
Proceeds from share issue	16/17	11,553	51,670
Issue costs relating to share issue	17	(115)	(783)
Net cash inflow from financing activities		**31,543**	**145,280**
Net increase/(decrease) in cash and cash equivalents		295	(25,554)
Opening balance		24,579	50,133
Closing cash and cash equivalents		24,874	24,579
REPRESENTED BY			
Cash at bank	11	**24,874**	**24,579**

The accompanying notes are an integral part of the financial statements.

In addition to the cash flow above, the acquisition of the leasehold property at Den Hoorn, the Netherlands, was a significant non cash transaction and resulted in the recognition of a lease liability of €23.4m (see note 12).

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted by the Group are set out below, all of which have been applied consistently throughout the period.

(a) Basis of Accounting

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee ('IASC') that remain in effect, and to the extent that they have been adopted by the European Union, and the Listing Rules of the UK Listing Authority.

The audited Consolidated Financial Statements of the Group have been prepared under the historical cost convention as modified by the measurement of investment property and derivative financial instruments at fair value. The consolidated financial statements are presented in Euro.

In compliance with the AIC's Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts (Issued November 2014 and updated in October 2019 with consequential amendments), the consolidated statement of comprehensive income is separated between capital and revenue profits and losses.

New and revised standards and interpretations issued in the current period

The accounting policies adopted have been consistently applied throughout the period presented, unless otherwise stated. This includes the below noted Standards and Interpretations that became effective during the period, which the group has incorporated in the preparation of the financial statements:

- Amendments to IAS 1 and IAS 8 - the amendment clarifies the definition of 'material' and to align the definition used in the Conceptual Framework and the standards themselves and provide extra guidance to financial statement preparers.

- Amendments to IFRS 3 - the amendments narrowed and clarified the definition of a business. They also permit a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business.

- Amendments to Conceptual Framework - the amendments support transition to the revised Conceptual Framework for subsidiaries that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.

- Amendments to IFRS 9, IAS 39 and IFRS 7 - the amendments provide clarifications for specific hedge accounting requirements for the interest rate benchmark.

- Amendments to IFRS 16 - the amendments allow lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions.

The Group has made no adjustments to its financial statements following the above listed amendments and hence these are not discussed further.

(b) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires the directors to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements and contingent liabilities. However, uncertainty about these judgements, assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Key estimation uncertainties

Fair value of investment properties: Investment property is stated at fair value as at the balance sheet date as set out in note 9 to these accounts.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets, estimate inflation, discount and capitalisation rates.. The estimate of future cash flows includes consideration of the repair and condition of the property, lease terms, future lease events, as well as other relevant factors for the particular asset.

These estimates are based on local market conditions existing at the balance sheet date.

(c) Basis of Consolidation and Going Concern

The consolidated financial statements comprise the accounts of the Company and its subsidiaries drawn up to 31 December 2020. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill.

If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

The Group and Company meets its longer term funding and working capital requirements through a combination of cash balances, rental income and a number of bank loans with different banks.

Following the successful share issuance in March 2021 (€22.3m) and purchase of Lodz on 8 April 2021 (€35m including €6.5m recoverable VAT), the Group had cash resources of approximately €9m. The Lodz acquisition included €6.5m of refundable VAT, which is expected to be received in a period of no greater than 6 months.

As detailed in note 14 there are six bank facilities none of which are due to expire before June 2025. The Group also has an undrawn €40m revolving credit facility with Investec Bank, €3.3m of which is committed and available on request to cover any short term liquidity gaps.

The COVID-19 pandemic has not materially impacted the Groups portfolio. Rent collection for the year was 97%, and all 14 of the Groups properties increased in value. The potential impact of continued COVID-19 restrictions could, however, impact the Group through a reduction in rental income and potential reduction in investment property valuation. The Company has prepared cash flow forecasts which reflect these potential impacts, including severe but plausible downside scenarios taking into account specific tenant risks. The impact of reductions in rental income in the scenarios could be mitigated through a reduction in dividends to shareholders if considered necessary by the Board.

The scenarios model reduced rental income through to 2023 and the worst case model equates to an overall 20% reduction of rental income per annum over that period. There are no anticipated breaches of loan to value covenants as a result of reasonably possible reductions in property values or rental income. Regarding interest cover covenants of those three bank loans subject to financial covenants, two are secured over multiple properties. This affords the Group headroom on the interest cover covenants under all scenarios. The third bank loan is secured over only one property, with a single tenant, and as such is more exposed to the risk of rental reductions.

The Group is able to mitigate this risk through a combination of maintaining sufficient cash resources under the modelled scenarios to, as permitted under the provisions of the loan facility agreement, potentially cure a breach should it occur, or provide additional security, or let the property should it become vacant.

While the Company cannot predict with any certainty the full impact of the COVID-19 crisis the financial forecast prepared, including the downside scenarios, indicates that the Company can continue to operate as a going concern and meet its liabilities as they fall due.

Accordingly, the Directors have a reasonable expectation that the Company will be able to continue as a going concern and meet its liabilities as they fall due for a period of at least 12 months from the date of this report.

(d) Functional and Presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Company and its subsidiaries operate ("the functional currency") which is Euro. All figures in the consolidated financial statements are rounded to the nearest thousand unless otherwise stated.

(e) Foreign Currency

Transactions denominated in foreign currencies are converted at the exchange rate ruling at the date of the transaction. Monetary and non-monetary assets and liabilities denominated in foreign currencies held at the financial period end are translated using London closing foreign exchange rates at the financial period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Consolidated Statement of Comprehensive Income as appropriate. Foreign exchange movements on investments are included in the Consolidated Statement of Comprehensive Income within gains on investments.

(f) Revenue Recognition

Rental income, including the effect of lease incentives, arising from operating leases (including those containing fixed rent increases) is recognised on a straight line basis over the lease term.

Service charge income represents the charge to tenants for services the Group is obliged to provide under lease agreements. This income is recorded gross within Income on the basis the Fund is acting as principal, with any corresponding cost shown within expenses.

Interest income is accounted for on an effective interest rate basis.

(g) Expenses

All expenses are recorded through the revenue column of the Consolidated Statement of Comprehensive Income, except for gains or losses on investment properties which are recorded in the capital column.

(h) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'net return before tax' as reported in the Consolidated Statement of Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Where corporation tax arises in subsidiaries, these amounts are charged to the Consolidated Statement of Comprehensive Income. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the balance sheet in the countries where the Group operates.

The Manager periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The carrying values of the Group's investment properties are assumed to be realised by sale at the end of use. The capital gains tax rate applied is that which would apply on a direct sale of the property recorded in the Consolidated Balance Sheet regardless of whether the Group would structure the sale via the disposal of the subsidiary holding the asset, to which a different tax rate may apply. The deferred tax is then calculated based on the respective temporary differences and tax consequences arising from recovery through sale.

(i) Investment Properties

Investment properties are initially recognised at cost, being the fair value of consideration given, including transaction costs associated with the investment property. Any subsequent capital expenditure incurred in improving investment properties is capitalised in the period during which the expenditure is incurred.

After initial recognition, investment properties are measured at fair value, with the movement in fair value recognised in the Consolidated Statement of Comprehensive Income and transferred to the Capital Reserve. Fair value is based on the external valuation provided by CBRE GmbH, chartered surveyors, at the balance sheet date. The assessed fair value is reduced by the carrying amount of any accrued income resulting from the spreading of lease incentives and/or minimum lease payments.

On derecognition, gains and losses on disposals of investment properties are recognised in the Consolidated Statement of Comprehensive Income.

The Group may enter into forward funding agreements with third party developers in respect of certain properties. Under these agreements the Group will make payments to the developer as construction progresses. The value of these payments is assessed and certified by an expert and capitalised in the period during which the expenditure is incurred and included within the book cost of the property.

(j) Distributions

Interim and final distributions payable to the holders of equity shares are recognised in the period in which they are paid. An annual shareholder resolution is voted upon to approve the Group's distribution policy. For final dividends, this occurs when they are recommended by the Board and approved by shareholders.

(k) Lease Contracts

Operating Lease Contracts – the Group as Lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for leases as operating leases.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Operating and Finance Lease Contracts - the Group as intermediate lessor

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. The Group assesses all leases where it acts as an intermediate lessor, based on an evaluation of the terms and conditions of the arrangements. Any head leases identified as having a low value at the lease commencement date are classified as operating leases and accounts for the lease payments on a straight-line basis over the lease terms.

Any head leases identified as finance leases are capitalised at the lease commencement present value of the minimum lease payments discounted at an applicable discount rate as a right-of-use asset and leasehold liability.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period.

(l) Share Issue Expenses
Incremental external costs directly attributable to the issue of shares that would otherwise have been avoided are written off to share premium.

(m) Cash and Cash Equivalents
Cash and cash equivalents are defined as cash in hand, demand deposits, and other short-term highly liquid investments readily convertible within three months or less to known amounts of cash and subject to insignificant risk of changes in value.

(n) Financial instruments
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated Statement of Comprehensive Income.

Financial assets
Financial assets are measured at amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), or financial assets 'at fair value through other comprehensive income' (FVOCI). The classification is based on the business model in which the financial asset is managed and its contractual cash flow characteristics. All purchases and sales of financial assets are recognised on the trade date basis.

Financial assets at amortised cost
Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortised cost using the effective interest method, less any impairment. The Group holds the trade receivables with the objective to collect the contractual cash flows.

Impairment of financial assets
The Group's financial assets are subject to the expected credit loss model. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected loss rates are based on the payment profiles of tenants over a period of 12 months before 31 December 2020, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the liability of the tenants to settle the receivable. Such forward-looking information would include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties. The Group's financial assets are subject to the expected credit loss model. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected loss rates are based on the payment profiles of tenants over a period of 12 months before 31 December 2020, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the liability of the tenants to settle the receivable. Such forward-looking information would include:

- changes in economic, regulatory, technological and environmental factors, (such as industry outlook, GDP, employment and politics);
- external market indicators; and
- tenant base.

Financial liabilities
Financial liabilities are classified as 'other financial liabilities'.

Other financial liabilities
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(o) Derivative financial instruments
The Company used forward foreign exchange contracts to mitigate potential volatility of income returns and to provide greater certainty as to the level of Sterling distributions expected to be paid in respect of the period covered by the relevant currency hedging instrument, it does not seek to provide a long-term hedge for the Company's income returns, which will continue to be affected by movements in the Euro/Sterling exchange rate over the longer term.

Derivatives are measured at fair value calculated by reference to forward exchange rates for contracts with similar maturity profiles. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income as revenue or capital depending on their nature.

(p) Reserves
Share Capital
This represents the proceeds from issuing Ordinary shares and is non-distributable.

Share Premium
Share premium represents the excess consideration received over the par value of Ordinary shares issued and is classified as equity. Incremental costs directly attributable to the issue of Ordinary shares are recognised as a deduction from share premium.

Special Distributable Reserve
The special reserve is a distributable reserve to be used for all purposes permitted, including the buyback of shares and the payment of dividends.

Capital Reserve
The capital reserve is a distributable reserve subject to applicable legislation and practice, and the following are accounted for in this reserve:

- gains and losses on the disposal of investment properties;
- increases and decreases in the fair value of investment properties held at the period end, which are not distributable.

Revenue Reserve
The revenue reserve is a distributable reserve and reflects any surplus arising from the net return on ordinary activities after taxation.

2. Revenue

	Year ended 31 December 2020 €'000	Year ended 31 December 2019 €'000
Rental income	20,257	13,376
Property service charge income	3,096	2,233
Other income	47	23
Total revenue	**23,400**	**15,632**

Included within rental income is amortisation of rent free periods granted.

3. Expenditure

	Year ended 31 December 2020 €'000	Year ended 31 December 2019 €'000
Professional fees	375	1,017
Directors' fees	169	170
Audit fee for statutory services[1]	270	138
Other expenses	301	216
Broker fees	67	58
Depositary fees	8	24
Stock exchange fees	59	42
Directors liability insurance expense	4	10
Registrar fees	24	40
Employers NI	13	13
Total expenses	**1,290**	**1,728**

[1] The Audit fee above reflects 2020 audit fee of €172,000, 2019 additional fees of €45,000, Subsidiary audit fees of €23,000 and irrecoverable VAT of €30,000.

4. Finance Costs

	Year ended 31 December 2020 €'000	Year ended 31 December 2019 €'000
Liquidity fund interest paid	-	37
Interest on bank loans	1,998	1,158
Bank interest	335	98
Amortisation of loan costs	212	118
Total finance costs	**2,545**	**1,411**

5. Taxation

The Company is resident in the United Kingdom for tax purposes. The Company is approved by HMRC as an investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010. In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust the Company will be exempt from UK taxation on its capital gains. The Company is, however, liable to UK Corporation tax on its income. The Company is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period referred to as the "streaming" regime. Under regulations made pursuant to the Finance Act 2009, the Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its income in calculating its taxable profit for the relevant accounting period. The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non-UK companies) fall within one of the "exempt classes" in Part 9A of the CTA 2010. In March 2021 the UK Government confirmed an increase in the Corporation Tax Rate from 19% to 25% from 1 April 2023. This will not affect the Company's ability to take advantage of the streaming regime as it currently does.

Reconciliation between the tax charge and the product of accounting profit/(loss) multiplied by the applicable tax rate for the year ended 31 December 2020.

(a) Tax charge in the Group Statement of Comprehensive Income

	Year ended 31 December 2020			Year ended 31 December 2019		
	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
Current taxation:						
Overseas taxation	228	-	228	415	-	415
Deferred taxation:						
Overseas taxation	-	9,629	9,629	-	4,662	4,662
Total taxation	**228**	**9,629**	**9,857**	**415**	**4,662**	**5,077**

	Year ended 31 December 2020			Year ended 31 December 2019		
	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
Net result before taxation	12,067	33,179	45,246	8,146	16,852	24,998
Theoretical tax at UK corporation tax rate of 19%	2,293	6,304	8,597	1,548	3,202	4,750
Effect of:						
Losses where no deferred taxes have been recognised	110	-	110	86	-	86
Impact of different tax rates on foreign jurisdictions	(1,381)	3,325	1,944	(217)	1,460	1,243
Expenses that are not deductible / income that is not taxable	(81)	-	(81)	(718)	-	(718)
Impact of UK interest distributions from the Investment Trust	(713)	-	(713)	(284)	-	(284)
Total taxation on return	**228**	**9,629**	**9,857**	**415**	**4,662**	**5,077**

(b) Tax in the Group Balance Sheet

	Year ended 31 December 2020			Year ended 31 December 2019		
	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
Deferred tax assets:						
On tax losses	-	1,084	1,084	-	766	766
On other temporary differences	-	341	341	-	-	-
	-	**1,425**	**1,425**	**-**	**766**	**766**

	Year ended 31 December 2020			Year ended 31 December 2019		
	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
Deferred tax liabilities:						
Differences between tax base and property valuation	-	15,716	15,716	-	5,428	5,428
Total taxation on return	**-**	**15,716**	**15,716**	**-**	**5,428**	**5,428**

In March 2021the UK Government announced the UK Corporation tax rate is to remain at 19% until April 2023, at which point it will be increased to 25%. This is not expected to have a material impact on the Group.

A deferred tax asset of €0.00m (2019: €0.05m) on estimated UK tax losses has not been recognised.

6. Dividends

	Year ended 31 December 2020 €'000	Year ended 31 December 2019 €'000
2019 Fourth Interim dividend of 1.41c (1.27p) per Share paid 27 March 2020 (2018 Third interim: 1.3p)	3,306	2,856
2020 First Interim dividend of 1.41c (1.24p) per Share paid 26 June 2020 (2019 First interim: 1.41c/1.27p)	3,306	2,644
2020 Second Interim dividend of 1.41c (1.24p) per Share paid 25 September 2020 (2019 Second interim: 1.41c/1.27p)	3,448	3,306
2020 Third Interim dividend of 1.41c (1.24p) per Share paid 30 December 2020 (2019 Third interim: 1.41c/1.27p)	3,448	3,306
Total Dividends Paid	**13,508**	**12,112**

A fourth interim dividend of 1.41c/(1.24p) per share was paid on 26 March 2021 to Shareholders on the register on 4 March 2021. Although this payment relates to the year ended 31 December 2020, under IFRS it will be accounted for in the year in which it has been paid.

7. Earnings per Share (Basic and Diluted)

	Year ended 31 December 2020	Year ended 31 December 2019
Revenue net return attributable to Ordinary shareholders (€'000)	11,839	7,731
Weighted average number of shares in issue during the period	239,213,116	207,845,206
Total revenue return per ordinary share	**4.95¢**	**3.72¢**
Capital return attributable to Ordinary shareholder (€'000)	23,550	12,190
Weighted average number of shares in issue during the period	239,213,116	207,845,206
Total capital return per ordinary share	**9.84¢**	**5.86¢**
Total return per ordinary share	**14.79¢**	**9.58¢**

Earnings per Share is calculated on the revenue and capital return for the period (before other comprehensive income) and is calculated using the weighted average number of Shares in the period of 239,213,116 Shares, (2019: 207,845,206).

8. Net Asset Value Per Share

	2020	2019
Net assets attributable to shareholders (€'000)	293,596	260,277
Number of shares in issue at 31 December	244,500,001	234,500,001
Net asset value per share (€)	**1.20**	**1.11**

9. Investment Properties

	2020 €'000	2019 €'000
Opening carrying value	348,519	148,918
Purchases at cost and Capital Expenditure	43,851	182,749
Gains on revaluation to fair value	32,878	16,852
Purchase of leasehold interest (non cash)	23,170	-
Total carrying value at 31 December	**448,418**	**348,519**
Gains on investment properties at fair value comprise		
Valuation gains/(losses)	31,958	15,514
Decrease in leasehold liability	(137)	-
Movements in lease incentives	1,057	1,338
	32,878	**16,852**

Valuation Methodology

Valuations were performed by CBRE GmbH, an accredited independent valuer with a recognised and relevant professional qualification. The valuer has sufficient current local and national knowledge of the particular property markets involved and has the skills and understanding to undertake the valuations competently.

The Investment Manager appoints a suitable valuer (such appointment is reviewed on a periodic basis) to undertake a valuation of all the direct real estate investments on a quarterly basis. The valuation is undertaken in accordance with the RICS Valuation – Global Standards 2020, (Red Book), published by the Royal Institution of Chartered Surveyors.

The Investment Manager meets with the valuer on a quarterly basis to ensure the valuer is aware of all relevant information for the valuation and any change in the investments over the quarter. The Investment Manager then reviews and discusses draft valuations with the valuer to ensure correct factual assumptions are made prior to the valuer issuing a final valuation report.

The fair value of completed investment property is determined using the discounted cash flow method. Future annual net operating income over a hold period of 10 years. Growth and inflation are included explicitly in the cash flow forecast. The valuer calculates the present value of cashflow generated by the investment property plus the present value of the exit value at the end of the 10-year hold period. The cash flow is discounted at a rate the valuer considers appropriate for the specific investment property.

The Property Valuer takes account of deleterious materials included in the construction of the investment properties in arriving at its estimate of Fair Value when the Investment Manager advises of the presence of such materials. The majority of the leases are on a full repairing and insurance basis and as such the Group is not liable for costs in respect of repairs or maintenance to its investment properties.

The fair value of these investment properties amounted to €430,200,000. The difference between the fair value and the value per the Consolidated balance sheet at 31 December 2020 consists of accrued income relating to the pre-payment for rent-free periods recognised over the life of the lease, and a lease asset relating to future use of the leasehold at Den Hoorn. These total €4,952,000 and €23,170,000 respectively. The rent incentive balance is recorded separately in the financial statements as a current asset, and the lease asset is offset by an equal and opposite lease liability.

The following disclosure is provided in relation to the adoption of IFRS 13 Fair Value Measurement. All properties are deemed Level 3 for the purposes of fair value measurement and the current use of each property is considered the highest and best use.

Country and sector	Fair Value €'000	Valuation techniques	Key Unobservable inputs	Range (weighted average)
Netherlands - Logistics	204,100	Discounted Cash Flow	Annual rent per sq ft	42.94 - 67.96 (58.55)
			Capitalisation rate	4.04% - 5.30% (4.87%)
			Discount rate	4.65% - 5.90% (5.41%)
Germany - Logistics	65,200	Discounted Cash Flow	Annual rent per sq ft	65.96 - 67.67 (67.01)
			Capitalisation rate	3.45% - 3.55% (3.49%)
			Discount rate	4.20% - 4.35% (4.26%)
France - Logistics	77,700	Discounted Cash Flow	Annual rent per sq ft	47.88 - 87.96 (73.57)
			Capitalisation rate	4.55% - 4.55% (4.55%)
			Discount rate	4.65% - 4.70% (4.67%)
Poland - Logistics	54,700	Discounted Cash Flow	Annual rent per sq ft	49.31 - 64.92 (57.16)
			Capitalisation rate	5.55% - 6.05% (5.80%)
			Discount rate	5.76% - 6.15% (5.95%)
Spain - Logistics	28,500	Discounted Cash Flow	Annual rent per sq ft	17.98 - 39.82 (31.47)
			Capitalisation rate	4.50% - 5.75% (5.27%)
			Discount rate	6.50% - 7.72% (7.25%)

Sensitivity Analysis
The table below presents the sensitivity of the valuation to changes in the most significant assumptions underlying the valuation of investment property.

Country and sector	Assumption	Movement	Effect on Valuation €'000
Netherlands - Logistics	Capitalisation and Discount rate	+50 basis points	(20,000)
		- 50 basis points	25,100
Germany - Logistics	Capitalisation and Discount	+50 basis points	(7,900)
		- 50 basis points	10,800
France - Logistics	Capitalisation and Discount rate	+50 basis points	(7,400)
		- 50 basis points	9,100
Poland - Logistics	Capitalisation and Discount rate	+50 basis points	(4,300)
		- 50 basis points	5,000
Spain - Logistics	Capitalisation and Discount rate	+50 basis points	(2,500)
		- 50 basis points	3,100

10. Trade and Other Receivables

	2020 €'000	2019 €'000
Trade Debtors	4,130	3,327
Accrued income	-	160
VAT receivable	140	3,310
Cash held by Solicitors	-	165
Lease incentives	4,952	1,606
Deferred tax	-	766
Other receivables	64	549
Total receivables	**9,286**	**9,883**

The ageing of these receivables is as follows:

	2020 €'000	2019 €'000
Less than 6 months	8,769	5,813
Between 6 & 12 months	517	4,070
	9,286	**9,883**

11. Cash and Cash Equivalents

	2020 €'000	2019 €'000
Cash at bank	24,874	24,579
Total cash and cash equivalents	**24,874**	**24,579**

12. Leasehold Liability

	2020 €'000	2019 €'000
Maturity analysis - contractual undiscounted cash flows		
Less than one year	550	-
One to five years	2,201	-
More than five years	26,165	-
Total undiscounted lease liabilities	**28,916**	**-**
Lease liability included in the statement of financial position		
Current	550	-
Non - Current	22,620	-
Total lease liability included in the statement of financial position	**23,170**	**-**

On 15 January 2020 the group acquired a new logistics warehouse in Den Hoorn. The property is on land owned by the local municipality and leased to the group on a perpetual basis. The Group reserves the option to acquire the freehold ownership on 1 July 2044 for the total sum of €15,983k. The annual ground lease payments amount to €531k per annum, the present value of these future payments being €23,170k as at 31 December 2020.

13. Trade and Other Payables

	2020 €'000	2019 €'000
Rental income received in advance	2,604	2,224
Accrued acquisition and development costs	833	1,521
Management fee payable	555	471
All other fees payable	-	651
VAT payable	811	670
Other payables	-	11
Accruals	1,048	659
Trade creditors	1,236	1,948
Tenant deposits	1,204	1,197
Total payables	**8,291**	**9,352**

14. Bank Loans

	2020 €'000	2019 €'000
Bank borrowings drawn	144,600	108,900
Loan issue costs paid	(1,599)	(1,102)
Accumulated amortisation of loan issue costs	330	118
Total Bank Loans	**143,331**	**107,916**

The above loans are secured on the following properties on a non-recourse basis.

Property	Country	Loan (€'000)	Start date	End date	Lender	Fixed Interest Rate
Erlensee	Germany	17,800	20/02/2019	31/01/2029	DZ HYP	1.62%
Florsheim	Germany	12,400	18/02/2019	30/01/2026	DZ HYP	1.54%
Avignon + Meung Sur Loire	France	33,000	12/02/2019	12/02/2026	BAYERN LB	1.57%
(Ede/Waddinxveen) + Oss	Netherlands	37,700	06/06/2019	06/06/2025	BERLIN HYP	(1.22%) 1.05%
's Heerenberg	Netherlands	8,000	27/06/2019	27/06/2025	BERLIN HYP	0.94%
Zeewolde + Den Hoorn	Netherlands	35,700	15/01/2020	14/01/2028	BERLIN HYP	1.25%
		144,600				

15. Derivative Financial Instruments

	2020 €'000	2019 €'000
Forward foreign exchange contracts	26	(8)
	26	**(8)**

The Company employed currency hedging to provide greater certainty as to the level of Sterling distributions paid in respect of the year. A forward FX contract was entered into fixing the EUR: GBP exchange rate at €1.13:£1 for the three interim distributions paid in the year, and the fourth interim distribution paid after the year end. The forward FX in place at year end relates solely to the fourth interim distribution payable.

16. Share Capital

	2020 €'000	2019 €'000
Opening balance	2,645	2,122
Ordinary shares issued	111	523
Balance as at 31 December	**2,756**	**2,645**

Ordinary shareholders participate in all general meetings of the Company on the basis of one vote for each share held.

Each Ordinary share has equal rights to dividends and equal rights to participate in a distribution arising from a winding up of the Company. The Ordinary shares are not redeemable.

On 26 June 2020, the Group increased its share capital by the issue of 5,000,000 new Ordinary Shares at 105p (€1.16) per share. On 4 August 2020, the Group increased its share capital by the issue of 5,000,000 new Ordinary Shares at 104p (€1.15) per share. The number of Ordinary Shares authorised, issued and fully paid at 31 December 2020 is 244,500,001 (2019: 234,500,001). The nominal value of each share is £0.01.

17. Share Premium

	2020 €'000	2019 €'000
Opening balance	50,364	-
Premium arising on issue of new shares	11,442	51,147
Share issue costs deducted	(115)	(783)
Balance as at 31 December	**61,691**	**50,364**

The share premium arising in the year was converted to EUR using the issue date exchange rate on 26 June 2020 of 1.1040574 and on 4 August 2020 of 1.1069906.

18. Special Distributable Reserve

	2020 €'000	2019 €'000
Opening balance	191,579	203,691
Dividends Paid	(5,918)	(12,112)
Balance as at 31 December	**185,661**	**191,579**

At a General Meeting held on 8 November 2017, a special resolution was passed authorising, conditional on the issue of Ordinary shares by the Company, the amount standing to the credit of the share premium account of the Company following issue to be cancelled. In order to cancel the share premium account the Company was required to obtain a Court Order, which was received on 13 March 2018. A Statement of Capital form was lodged at Companies House with a copy of the Court Order on 16 March 2018. With effect from that date the amount of the share premium account cancelled was credited as a special distributable reserve in the Company's books of account.

19. Capital Reserves

	Realised capital reserve €'000	Unrealised gains/(losses) €'000	Total capital reserve €'000
As at December 2019	145	8,073	8,218
Movement in deferred taxation	-	(9,629)	(9,629)
Movement in fair value gains of investments	-	32,878	32,878
Currency (losses)/gains during the year	(147)	448	301
Balance as at 31 December 2020	**(2)**	**31,770**	**31,768**

	Realised capital reserve €'000	Unrealised gains/(losses) €'000	Total capital reserve €'000
As at 31 December 2018	345	(4,125)	(3,780)
Movement in deferred taxation	-	(4,662)	(4,662)
Movement in fair value gains of investments	-	16,852	16,852
Currency (losses)/gains during the year	(200)	8	(192)
Balance at 31 December 2019	**145**	**8,073**	**8,218**

20. Operating Segments

The Group's reportable segments are the geographical areas in which it operates. These operating segments reflect the components of the Group that are regularly reviewed to allocate resources and assess performance.

2020	Netherlands €'000	Poland €'000	Germany €'000	Spain €'000	France €'000	Parent Company €'000	Total €'000
Total Assets	231,747	57,557	67,387	29,423	83,745	14,245	484,104
Total Liabilities	113,681	3,407	33,038	1,138	38,389	855	190,508
Total Comprehensive return for the period (Revenue)	2,376	(334)	625	437	1,732	7,003	11,839
Total Comprehensive return for the period (Capital)	14,999	865	3,721	490	3,622	(147)	23,550
Included in Total Comprehensive Income							
Net gain from the fair value adjustment on investment property	21,199	1,709	3,931	801	5,238	-	32,878
Rental income	9,674	2,380	2,870	1,531	3,802	-	20,257

2019	Netherlands €'000	Poland €'000	Germany €'000	Spain €'000	France €'000	Parent Company €'000	Total €'000
Total Assets	142,387	56,872	63,252	32,416	77,258	10,796	382,981
Total Liabilities	47,825	3,138	32,953	1,726	36,007	1,055	122,704
Total Comprehensive return for the period (Revenue)	4,622	449	1,759	563	3,208	(3,170)	7,431
Total Comprehensive return for the period (Capital)	1,588	1,575	2,638	1,222	(200)	5,175	11,998
Included in Total Comprehensive Income							
Net gain from the fair value adjustment on investment property	5,455	1,622	5,315	2,197	2,263	-	16,852
Rental income	5,319	1,324	2,494	637	3,602	-	13,376

21. Financial instruments and investment properties

Fair value hierarchy

IFRS 13 requires the Group to classify its financial instruments held at fair value using a hierarchy that reflects the significance of the inputs used in the valuation methodologies. These are as follows:

Level 1 – quoted prices in active markets for identical investments;

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc.); and

Level 3 – significant unobservable inputs.

The following table shows an analysis of the fair values of investment properties recognised in the balance sheet by level of the fair value hierarchy:

31 December 2020	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total fair value €'000
Investment properties	-	-	448,418	448,418

31 December 2019	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total fair value €'000
Investment properties	-	-	348,519	348,519

The lowest level of input is the underlying yields on each property which is an input not based on observable market data.

31 December 2020	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total fair value €’000
Derivative Financial Instruments	-	26	-	26

31 December 2019	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total fair value €’000
Derivative Financial Instruments	-	(8)	-	(8)

The lowest level of input is EUR:GBP exchange rate.

22. Risk Management

The Group's financial instruments comprise securities and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Group also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures and options, for the purpose of managing currency and market risks arising from the Group's activities.

The main risks the Group faces from its financial instruments are (a) market price risk (comprising of (i) interest rate risk, (ii) foreign currency risk and (iii) other price risk), (b) liquidity risk and (c) credit risk.

(a) Market price risk

The fair value or future cash flows of a financial instrument held by the Group may fluctuate because of changes in market prices. This market risk comprises three elements - interest rate risk, foreign currency risk and other price risk.

(i) Market risk arising from interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

Interest risk profile

The interest rate risk profile of the portfolio of financial assets and liabilities at the year end were as follows:

As at 31 December 2020	Interest rate %	Local currency '000	Foreign exchange rate	Euro equivalent €'000
Assets:				
Euro	(0.50)	23,594	€1.00	23,594
Pound Sterling	0.10	726	0.90	807
Polish Zloty		2,184	4.61	473
Total				**24,874**

As at 31 December 2019	Interest rate %	Local currency '000	Foreign exchange rate	Euro equivalent €'000
Assets:				
Euro	(0.60)	23,393	€1.00	23,393
Pound Sterling	0.07	1,005	0.85	1,186
Total				**24,579**

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates.

An increase of 0.1 per cent in interest rates as at the reporting date would have increased the reported profit and equity shareholders' funds by €24,874. A decrease of 0.1 per cent would have reduced the reported profit and equity shareholders' funds by €24,874. Other financial assets (eg debtors) are not subject to interest rate risk.

(ii) Market risk arising from foreign currency risk

The income and capital value of the Groups investments and liabilities can be affected by exchange rate movements as some of the Group's assets and income are denominated in currencies other than Euro which is the Group's reporting currency.

The revenue account is subject to currency fluctuation arising from overseas income.

Foreign currency risk profile

Foreign currency risk exposure by currency of denomination:

As at 31 December 2020	Investment exposure €'000	Net monetary exposure €'000	Total currency exposure €'000
Pound Sterling	-	1,052	1,052
Złoty	51,852	473	473
Total foreign currency	51,852	1,525	1,525
Euro	396,566	(156,347)	292,071
Total	**448,418**	**(154,822)**	**293,596**

As at 31 December 2019	Investment exposure €'000	Net monetary exposure €'000	Total currency exposure €'000
Pound Sterling	-	4,652	4,652
Total foreign currency	-	4,652	4,652
Euro	348,519	(92,894)	255,625
Total	**348,519**	**(88,242)**	**260,277**

The asset allocation between specific markets can vary from time to time based on the Investment Manager's opinion of the attractiveness of the individual markets.

Foreign currency sensitivity

The following table details the Group's sensitivity to a 10% increase and decrease in sterling and Polish Zloty against the Euro and the resultant impact that any such increase or decrease would have on net return before tax and equity shareholders' funds. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates.

	As at 31 December 2020 €'000	As at 31 December 2019 €'000
Zloty	47.3	-
Pound Sterling	105.2	465.2

(iii) Market risk arising from other price risk

Other price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments. The carrying amount for financial assets approximates to the fair value of trade and other receivables (note 10) and trade and other payables (note 13).

Other price risk sensitivity

If the investment valuation fell by 10% at 31 December 2020, the decrease in total assets and return before tax would be €43m (2019: €35m). If the investment portfolio valuation rose by 10% at 31 December 2020, the increase in total assets and return before tax would be €43m (2019: €35m). Exposures vary throughout the period as a consequence of changes in the net assets of the Group arising out of the investment and risk management processes.

(b) Liquidity risk

This is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. All creditors are payable within three months.

The Group's liquidity risk is managed by the Investment Manager placing cash in liquid deposits and accounts. Liquidity risk is the risk that the Group will encounter in realising assets or otherwise raising funds to meet financial commitments and also includes:

- The level of dividends and other distributions to be paid by the Group may fluctuate and there is no guarantee that any such distributions will be paid.
- The Group's target returns are targets only and are based on estimates and assumptions about a variety of factors all of which are beyond the Group's control and which may adversely affect the Group's ability to make its target returns. The Group may not be able to implement its investment policy and strategy in a manner that generates dividends in line with the target returns or the Group's investment objective. Liquidity risk is not considered to be significant.

(c) Credit risk

This is the risk of failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Group suffering a loss.

The risk is not considered significant by the Board, and is managed as follows:

The Group has acquired a portfolio of European logistics properties and has a number of leases with tenants. In the event of default by a tenant, the Group will suffer a rental shortfall and incur additional costs until the property is re-let, including legal expenses, in maintaining, insuring and re-letting the property. The Board receives regular reports on concentrations of risk and any tenants in arrears. The Investment Manager monitors such reports in order to anticipate and minimise the impact of defaults by tenants. Cash is held only with reputable financial institutions with high quality external credit ratings.

None of the Group's financial assets is secured by collateral.

The maximum credit risk exposure as at 31 December 2020 was €29.0m (2019 - €34.2m). This was due to trade receivables and cash as per notes 10 and 11.

All cash is placed with financial institutions with a credit rating of -A or above. Bankruptcy or insolvency may cause the Group's ability to access cash placed on deposit to be delayed or limited. Should the credit quality or the financial position of the financial institutions currently employed significantly deteriorate, the Investment Manager would move the cash holdings to another financial institution. There are no significant concentrations of liquidity risk within the Group.

(d) Taxation and Regulation risks

The Company must comply with the provisions of the Companies Act and, as the shares are admitted to the premium segment of the Official List, the Listing Rules and the Disclosure Guidance and Transparency Rules. A breach of the Companies Act could result in the Company and/or the Board being fined or being the subject of criminal proceedings. Breach of the Listing Rules could result in the shares being suspended from listing. Legal and regulatory changes could occur that may adversely affect the Company. The Company has obtained UK Investment Trust Company status. The Company must comply with the provisions of sections 1158 and 1159 of the Corporation Tax Act 2010 and Part 2 Chapter 1 of Statutory Instruments 2011/2999 to maintain this status. Breaching these regulations could result in the Company paying UK Corporation Tax it would otherwise be exempt from, adversely affecting the Company's ability to pursue its investment objective.

Capital Management

The Group considers that capital comprises issued Ordinary shares and long term borrowings. The Group's capital is deployed in the acquisition and management of subsidiaries in line with the Group's investment objective, specifically to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.

The following investment limits and restrictions apply to the Group and its business which, where appropriate, are measured at the time of investment and once the Group is fully invested:

- the Group will only invest in assets located in Europe;
- no more than 50 per cent. of Gross Assets will be concentrated in a single country;
- no single asset may represent more than 20 per cent. of Gross Assets;
- forward funded commitments will be wholly or predominantly pre-let and the Group's overall exposure to forward funded commitments will be limited to 20 per cent. of Gross Assets;
- the Group's maximum exposure to any single developer will be limited to 20 per cent of Gross Assets;
- the Group will not invest in other closed-ended investment companies;

- the Group may only invest in assets with tenants which have been classified by the Investment Manager's investment process as having strong financial covenants; and
- no single tenant will represent more than 20 per cent. of the Group's annual gross income measured annually.

The Group's principal use of cash will be to fund investments in accordance with its investment policy, on-going operational expenses and to pay dividends and other distributions to shareholders, as set out in the Prospectus. The Group may from time to time have surplus cash (for example, following the disposal of an investment). Pending reinvestment of such cash, it is expected that any surplus cash will be temporarily invested in cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with financial institutions or other counterparties having a single –A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency; or "government and public securities" as defined for the purposes of the FCA rules.

The Group monitors capital primarily through regular financial reporting and also through a gearing policy. The Group intends to use gearing with the objective of improving shareholder returns. Debt will typically be secured at the asset level and potentially at the Group level with or without a charge over some or all of the Group's assets, depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Borrowings will typically be non-recourse and secured against individual assets or groups of assets and the aggregate borrowings at asset level will always be subject to an absolute maximum, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. Where borrowings are secured against a group of assets, such group of assets shall not exceed 25 per cent. of Gross Assets in order to ensure that investment risk remains suitably spread. The Board has established gearing guidelines for the AIFM in order to maintain an appropriate level and structure of gearing within the parameters set out above. Under these guidelines, aggregate borrowings at asset level are expected to be at or around 35 per cent. of gross assets. The Board will keep the level of borrowings under review and the aggregate borrowings will always be subject to the absolute maximum set at the time of the Group's launch, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. The fair value of the Groups bank borrowings as at 31 December 2020 was €150,121,000 (2019: €113,330,000).

Contractual undiscounted maturities

All financial liabilities presented as current are payable within 3 months. The analysis of non-current financial liabilities is below:

At 31 December 2020	Within 1 year €'000	1-2 years €'000	2-5 years €'000	Over 5 years €'000	Total €'000
Bank loans	1,963	1,963	51,588	102,218	157,732
Lease liability	550	550	1,651	26,165	28,916
Total	**2,513**	**2,513**	**53,239**	**128,383**	**186,648**

At 31 December 2019	Within 1 year €'000	1-2 years €'000	2-5 years €'000	Over 5 years €'000	Total €'000
Bank loans	1,516	1,516	4,549	112,616	120,197
Total	**1,516**	**1,516**	**4,549**	**112,616**	**120,197**

23. Related Party Transactions

The Company's Alternative Investment Fund Manager ('AIFM') throughout the period was Aberdeen Standard Fund Managers Limited ("ASFML"). Under the terms of a Management Agreement dated 17 November 2017 the AIFM is appointed to provide investment management services, risk management services and general administrative services including acting as the Company Secretary. The agreement is terminable by either the Company or ASFML on not less than 12 months' written notice.

Under the terms of the agreement portfolio management services are delegated by ASFML to Aberdeen Standard Investments Ireland Limited ('ASIIL'). The total management fees charged to the Consolidated Statement of Comprehensive Income during the period were €2,066,000 (2019: €1,695,000), of which €555,000 (2019: €471,000) were payable at the period end. Under the terms of a Global Secretarial Agreement between ASFML and Aberdeen Asset Management PLC ('AAM PLC'), company secretarial services are provided to the Company by AAM PLC.

A Promotional and Marketing Budget fee of €120,000 was approved for 2020/2021 at the November 2020 Board meeting which is payable to Aberdeen Asset Managers Limited ('AAML').

The remuneration of Directors is detailed below. Further details on the Directors can be found on pages 55 to 57.

	2020 €'000	2019 €'000
Pascal Duval	-	21
Caroline Gulliver	43	40
John Heawood	37	34
Tony Roper	52	41
Diane Wilde	37	34
Balance as at 31 December	**169**	**170**

Please note the above figures are all Euro, while those in the directors remuneration report are stated in GBP.
Mr Duval retired on 11 June 2019.

The Directors' shareholdings are detailed below.

	31 December 2020 Ordinary shares	31 December 2019 Ordinary shares
T Roper	55,000	45,000
C Gulliver	40,000	40,000
J Heawood	30,000	30,000
D Wilde	40,000	40,000

On 16 March 2021, the Director's increased their shareholdings by: T Roper 20,000, C Gulliver 10,000, J Heawood 10,000 and D Wilde 10,000.

24. Lease Analysis

The group leases out its investment properties under operating leases.

The future income under operating leases, based on the unexpired lease length at the year end was as follows (based on total rents).

	2020 €'000	2019 €'000
Less than one year	22,443	19,037
Between one and two years	22,061	19,039
Between two and three years	21,781	18,878
Between three and four years	21,446	18,370
Between four and five years	20,664	17,727
More than five years	140,045	106,778
Total	**248,440**	**199,829**

The largest single tenant at the year end accounted for 12.5 per cent of the annualised rental income at 31 December 2020.

The Group has entered into commercial property leases on its investment property portfolio. These leases have remaining lease terms of between 1 and 19 years.

25. Post Balance Sheet Events

Acquisition

On 15 April 2021 the Company acquired a modern logistics and distribution property in Lodz, Poland for €28.0 million, representing a net initial yield of 5.6%.

Equity Raise

The Company issued 18.45 million new ordinary shares at a price of 105 pence per share on 16 March 2021, raising gross proceeds of £19.4 million. Following the issue of the New Ordinary Shares, the total number of voting rights in the Company is 262,950,001. Details of the Directors participation in the share issue is included in note 23.

Office Depot

The Company was made aware in February that Office Dépôt France, the sole tenant occupying its Meung-sur-Loire asset in France, had sought court protection and the appointment of an administrator. The tenant continues to operate from the asset, and pay rent post the appointment of an administrator.

BREXIT

The UK voted to leave the EU in 2016 and officially left the trading bloc on 31 January 2020 with an agreement to keep the majority of the existing relationship in place until 31 December 2020. On 24 December 2020 a deal was reached between the UK and the EU that confirmed the new rules for how the parties would work and trade with each other in the future. On 1 January 2021, the free movement of people and goods and services between the EU and UK ended with new rules coming into effect. The avoidance of a no-deal Brexit is seen as a positive development for both parties but some uncertainty remains and further clarification is required on certain aspects of the deal including, but not limited to, the Northern Ireland protocol, application to financial services and customs documentation requirements.

There does not yet appear to be significant issues impacting real estate specifically that have arisen as a result of Brexit after the reporting period and as a result the Directors considers the new rules coming into effect as a result of Brexit to be a non-adjusting post balance sheet event. Any future impact on the Group is likely to be in connection with the assessment of the fair value of investments and stability of rental income at future dates. At the date of reporting it is not possible to quantify the future financial impact of Brexit on the Group’s investments or rental income with any degree of certainty.

The Directors will continue to closely analyse and review the impact of Brexit on the Group and will take appropriate action as required.

26. Capital Commitments

As at the 31 December 2020 the Group had capital commitments of €nil.

27. Ultimate Parent Company

In the opinion of the Directors on the basis of shareholdings advised to them, the Company has no immediate or ultimate controlling party.

Parent Company Balance Sheet

As at 31 December 2020

	Notes	2020 €'000	2019 €'000
Non-current assets			
Investment in subsidiaries	2	80,915	38,611
Intercompany loan receivable	4	153,800	158,093
		234,715	196,704
Current assets			
Cash and cash equivalents	3	13,401	10,729
Intercompany loan interest receivable	4	3,304	4,176
Intercompany loan receivable	4	-	35,592
Other receivables		156	162
Derivative financial instruments		26	-
		16,887	50,659
Total assets		251,602	247,363
Current liabilities			
Derivative financial instruments		-	8
Trade and other payables	5	1,053	1,038
Non-current liabilities			
Bank loans	6	(196)	-
Total liabilities		**857**	**1,046**
Net assets		**250,745**	**246,317**
Represented by:			
Share capital	7	2,756	2,645
Share premium	7	61,691	50,364
Special Distributable Reserve		185,661	191,579
Revenue reserve		1,552	2,139
Capital reserve		(915)	(410)
		250,745	246,317

The accompanying notes are an integral part of the financial statements.

The financial statements on pages 69 to 104 were approved and authorised for issue by the Board of Directors on 28 April 2021 and signed on its behalf by:

Caroline Gulliver
Independent Non-Executive Director

Parent Company Statement of Changes in Equity

For the year ended 31 December 2020

	Notes	Share Capital €'000	Share Premium €'000	Special Distributable Reserve €'000	Revenue Reserve €'000	Capital Reserve €'000	Total €'000
As at December 2019		2,645	50,364	191,579	2,139	(410)	246,317
Issue of shares	7	111	11,442	-	-	-	11,553
Share Issue Costs	7	-	(115)	-	-	-	(115)
Net gain after taxation		-	-	-	7,003	(505)	6,498
Other comprehensive income		-	-	-	-	-	-
Dividends paid	8	-	-	(5,918)	(7,590)	-	(13,508)
As 31 December 2020		2,756	61,691	185,661	1,552	(915)	250,745

For the year ended 31 December 2019

	Notes	Share Capital €'000	Share Premium €'000	Special Distributable Reserve €'000	Revenue Reserve €'000	Capital Reserve €'000	Total €'000
At 31 December 2018		2,122	-	203,691	(577)	(1,838)	203,398
Issue of shares	7	523	51,147	-	-	-	51,670
Share Issue Costs	7	-	(783)	-	-	-	(783)
Net gain after taxation		-	-	-	2,716	1,428	4,144
Other comprehensive income		-	-	-	-	-	-
Dividends paid		-	-	(12,112)	-	-	(12,112)
At 31 December 2019		2,645	50,364	191,579	2,139	(410)	246,317

The accompanying notes are an integral part of the financial statements.

Parent Company Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies, all of which have been applied consistently throughout the period, are set out below.

(a) Basis of Accounting

Basis of preparation of financial statements

The Parent Company financial statements have been prepared in accordance with FRS 101 Reduced Disclosure Framework and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, impairment of assets, share-based payments and related party transactions. Where required, equivalent disclosures are given in the consolidated financial statements.

The Parent Company financial statements are prepared on a going concern basis as set out in Note 1 of the consolidated financial statements.

The Directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and not presented an income statement or a statement of comprehensive income for the Company alone.

A summary of the Company's significant accounting policies is set out below.

(b) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires Directors to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these judgements, assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Key estimation uncertainties

Investments in subsidiaries are recognised at cost less any provision for impairment. The determination of impairment requires the use of estimates such as future cash flows and fair value of investment properties.

Intercompany loans are recognised at fair value. Each intercompany loan is assessed individually in order to determine the fair value, and any gain or loss to be taken through the statement of comprehensive income. Where the Company is expected to receive all contractual payments on the loan in full, the fair value of the loan equals the face value and as such no gain or loss arises. The net asset value of each borrower is reviewed to consider if there is sufficient value within the subsidiary to meet the contractual cash flows. Fundamental to the net asset value of the borrower is the fair value of the investment properties owned. The valuation uncertainty of investment properties is detailed within the consolidated group financial statement notes. Where there are expected cash shortfalls, these are reduced from the face value of the intercompany loans to get to their fair value.

(c) Functional and Presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company and its subsidiaries operate ("the functional currency") which in the judgement of the directors is Euro. The financial statements are also presented in Euro. All figures in the financial statements are rounded to the nearest thousand unless otherwise stated.

(d) Foreign Currency

Transactions denominated in foreign currencies are translated at actual exchange rates as at the date of the transaction. Monetary and non-monetary assets and liabilities denominated in foreign currencies held at the financial period end are translated using London closing foreign exchange rates at the financial period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Statement of Comprehensive Income as currency translation differences through other comprehensive income. Foreign exchange movements on investments are included in the Statement of Comprehensive Income within gains on investments.

(e) Revenue Recognition

Interest income is accounted for on an accruals basis and included in finance income.

(f) Expenses

Expenses are accounted for on an accruals basis. The Company's investment management and administration fees, finance costs and all other expenses are charged through the Statement of Comprehensive Income.

(g) Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation are periodically evaluated and provisions established where appropriate.

Deferred income tax is provided using the liability method on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward tax credits or tax losses can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. In determining the expected manner of realisation of an asset the directors consider that the Company will recover the value of investment property through sale. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

(h) Distributions

Interim distributions payable to the holders of equity shares are only recognised in the Statement of Changes in Equity in the period in which they are paid. An annual shareholder resolution is voted upon to approve the Company's distribution policy.

(i) Share Issue Expenses

Incremental external costs directly attributable to the issue of shares that would otherwise have been avoided are written off to share premium.

(j) Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, and other short-term highly liquid investments readily convertible within three months or less to known amounts of cash and subject to insignificant risk of changes in value.

(k) Trade and Other Receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method less any impairment losses.

(l) Trade and Other Payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

(m) Reserves

Share Capital – This represents the proceeds from issuing ordinary shares.

Share Premium – Share premium represents the excess consideration received over the par value of ordinary shares issued and is classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from share premium.

Special Distributable Reserve – The special reserve is a distributable reserve to be used for all purposes permitted, including the buyback of shares and the payment of dividends.

Capital Reserve – Is a distributable reserve and realised gains and losses on currency settlements and disposals are accounted for in this reserve.

Revenue Reserve – The revenue reserve is a distributable reserve and reflects any surplus arising from the net return, after taxation, on ordinary activities.

(n) Investments in subsidiaries

Investments in subsidiaries are initially recognised at cost, then at the cost less any provision for impairment.

(o) Intercompany Loans

Intercompany loans are recognised at fair value.

2. Investments In Subsidiaries

As at 31 December 2020 the total cost of shares purchased in ASELI Florsheim BV was €1,000 and €5,170,000 share premium (2019: €1,000 and €5,170,000 share premium). The net assets of ASELI Florsheim BV are €9,025,000 as at 31 December 2020 (2019: €7,564,000). ASELI Florsheim BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in ASELI Erlensee BV was €1,000 and €8,372,000 share premium (2019: €1,000 and € nil share premium). The net assets of ASELI Erlensee BV are €14,265,000 as at 31 December 2020 (2019: €3,008,000). ASELI Erlensee BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in ASELI Leon BV was €1,000 and €9,434,000 share premium (2019: €1,000 and €6,227,000 share premium). The net assets of ASELI Leon BV are €12,100,000 as at 31 December 2020 (2019: €7,966,000). ASELI Leon BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in ASELI Netherlands I BV was €1,000 and €8,868,000 share premium (2019: €1,000 and € nil share premium). The net assets of ASELI Leon BV are €12,049,000 as at 31 December 2020 (2019: €988,000). ASELI Netherlands I BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in ASELI Netherlands II BV was €1,000 and €5,864,000 share premium (2019: €1,000 and € nil share premium). The net assets of ASELI Netherlands II BV are €9,005,000 as at 31 December 2020 (2019: €162,000). ASELI Netherlands II BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in ASELI Waddinxveen BV was €1,000 and €7,169,000 share premium (2019: €1,000 and € nil share premium). The net assets of ASELI Waddinxveen BV are €12,313,000 as at 31 December 2020 (2019: €726,000). ASELI Waddinxveen BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in ASELI France Holding was €10,078,000 (2019: €10,078,000). The net assets of ASELI France Holding are €18,146,000 as at 31 December 2020 (2019: €12,792,000). ASELI France Holding is a private limited company, registered in France.

As at 31 December 2020 the total cost of shares purchased in ASELI 's Heerenberg BV was €1,000 and €6,651,000 share premium (2019: €1,000 and €6,650,000 share premium). The net assets of ASELI 's Heerenberg BV are €9,751,000 as at 31 December 2020 (2019: €6,862,000). ASELI s'Heernberg BV is a private limited company, registered in the Netherlands.

As at 31 December 2020 the total cost of shares purchased in PDC Industrial 92 Sp. z o.o was €1,000 and €4,657,000 share premium (2019: €1,000 and €6,770,000 share premium). The net assets of PDC Industrial 92 Sp. zo.o are €5,408,000 as at 31 December 2020 (2019: €7,422,000). PDC Industrial 92 Sp. zo.o is a private limited company, registered in Poland.

As at 31 December 2020 the total cost of shares purchased in PDC Industrial 72 Sp. z o.o was €88,000, and €3,619,000 share premium (2019: €88,000 and €3,620,000 share premium). The net assets of PDC Industrial 72 Sp. zo.o are €5,750,000 as at 31 December 2020 (2019: €5,080,000). PDC Industrial 72 Sp. zo.o is a private limited company, registered in Poland.

As at 31 December 2020 the total cost of shares purchased in ASELI Netherlands Holdings BV was €1,000 and €10,936,000 (2019: €1,000 and € nil share premium). The net assets of ASELI Netherlands Holdings BV are €15,834,000 as at 31 December 2020 (2019: €1,000).

Indirect Subsidiaries

As at 31 December 2020 ASELI France Holdings owned 100% of the share capital in both ASELI Meung SCI and ASELI Avignon SCI. The total cost of of shares purchased was €7,030,000 and €18,174,000 respectively (2019: €7,030,000 and €18,174,000). The net assets were €10,857,000 and €26,178,000 respectively (2019: €7,539,000 and €22,168,000). Both companies are private limited companies, registered in France.

As at 31 December 2020 ASELI Netherlands Holdings BV owned 100% of the share capital in ASELI Caprev Den Hoorn BV. The total cost of shares purchased was €12,000 and €13,424,000 share premium (2019: € nil). The net assets were €39,167,000 (2019: € nil). The company is a private limited company, registered in the Netherlands.

Additional details of each subsidiary are noted below, all subsidiary shares are the same class:

Subsidiary	Address	Share Capital & Premium (€'000)	% Shares Owned	Activity
ASELI Florsheim BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	5,171	100	Property Investment
ASELI Erlensee BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	8,373	100	Property Investment
ASELI Leon BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	9,435	100	Property Investment
ASELI Netherlands I BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	8,869	100	Property Investment
ASELI Netherlands II BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	5,865	100	Property Investment
ASELI Waddinxveen BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	7,170	100	Property Investment
ASELI France Holding SAS	c/o Primexis, Tour Opus 12- La Défense 9, 77, espalanade du Général de Gaulle, 92914 Paris LA Défense Cedex	10,078	100	Property Investment
ASELI sHeerenberg BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	6,652	100	Property Investment
PDC Industrial 92 Sp. zo.o	c/o KR Group ul. Skaryszewska 7, 03-802 Warsaw, Poland	4,658	100	Property Investment
PDC Industrial 72 Sp. zo.o	c/o KR Group ul. Skaryszewska 7, 03-802 Warsaw, Poland	3,707	100	Property Investment
ASELI Netherlands Holdings BV	c/o Citco Nederland B.V. Naritaweg 165 1043 BW Amsterdam The Netherlands	10,937	100	Property Investment

3. Cash and Cash Equivalents

	2020 €'000	2019 €'000
Cash	13,401	10,729
	13,401	10,729

4. Intercompany Loans

	2020 €'000	2019 €'000
Accrued interest on intercompany loan receivable in less than one year	3,304	4,176
	3,304	4,176
Intercompany loan receivable in greater than one year	153,800	158,093
Intercompany loan expected to be received in less than one year	-	35,592
	153,800	193,685

A summary of the various intercompany loans is provided in the following table:

Borrower	Limit €'000	Balance Drawn €'000 As at 31 Dec 2020	Balance Drawn €'000 As at 31 Dec 2019	Maturity Date yrs	Loan Type	Interest Rate	Outstanding Interest €'000 As at 31 Dec 2020	Outstanding Interest €'000 As at 31 Dec 2019
ASELI Florsheim BV	10,000	-	-	Jan 28	Interest Bearing Loan	2.50%	-	-
ASELI Florsheim BV	6,125	3,725	3,725	Jan 28	Interest Bearing Loan	3.50%	24	65
ASELI Erlensee BV	16,500	1,678	7,315	May 28	Interest Bearing Loan	2.50%	(131)	40
ASELI Erlensee BV	10,300	5,636	-	May 28	Interest Bearing Loan	3.50%	132	-
ASELI Erlensee BV	8,910	-	8,372	May 28	Interest Free Loan	0.00%	-	-
ASELI Leon BV	9,650	9,650	9,650	Jan 28	Interest Bearing Loan	2.80%	68	106
ASELI Leon BV	800	-	-	Jan 28	Interest Free Loan	0.00%	-	-
ASELI Leon BV	3,224	-	3,205	Mar 21	Interest Bearing Loan	5.00%	1	99
ASELI Leon BV (Coslada)	6,398	6,398	6,398	Dec 29	Interest Bearing Loan	4.00%	65	8
ASELI Leon BV (Coslada)	-	-	3,207	Dec 29	Interest Free Loan	0.00%	-	-
ASELI Netherlands I BV (Ede)	35,584	13,715	14,342	Aug 28	Interest Bearing Loan	2.80%	124	1,297
ASELI Netherlands I BV (Ede)	8,896	-	8,868	Aug 28	Interest Free Loan	0.00%	-	-
ASELI Netherlands I BV (Oss)	35,584	-	-	Aug 28	Interest Bearing Loan	4.70%	-	-
ASELI Netherlands II BV (Zeewolde)	23,760	9,173	23,455	Sep 28	Interest Bearing Loan	4.80%	106	544
ASELI Netherlands II BV (Zeewolde)	5,940	-	5,863	Sep 28	Interest Free Loan	0.00%	-	-
ASELI Den Hoorn BV	4,000	-	-	Jan 25	Interest Free Loan	0.00%	-	-
ASELI Den Hoorn BV	16,000	15,136	-	Jan 23	Interest Bearing Loan	6.50%	280	-
ASELI Den Hoorn BV	2,000	-	-	Nov 24	Interest Bearing Loan	6.00%	-	-
ASELI France Holding SAS (Avignon)	10,905	10,905	10,905	Oct 28	Interest Bearing Loan	3.13%	749	397
ASELI France Holding SAS (Meung)	6,096	4,212	4,252	Feb 29	Interest Bearing Loan	3.13%	251	128
ASELI France Holding SAS	40	40	-	Nov 24	Interest Free Loan	0.00%	-	-
ASELI Avignon SCI	27,265	2,454	4,055	Oct 28	Interest Bearing Loan	3.13%	19	95
ASELI Waddinxveen BV	29,200	9,575	13,073	Nov 28	Interest Bearing Loan	4.50%	81	384
ASELI Waddinxveen BV	7,300	-	7,169	Nov 28	Interest Free Loan	0.00%	-	-
ASELI Meung SCI	15,240	8,580	8,580	Nov 28	Interest Bearing Loan	3.13%	-	-
PDC Industrial 72 Sp. zo.o	2,000	2,000	2,113	Feb 29	Interest Free Loan	0.00%	-	-
PDC Industrial 72 Sp. zo.o	18,807	18,807	18,807	Feb 29	Interest Bearing Loan	4.10%	389	651
ASELI sHeerenberg BV	11,300	2,776	2,819	Jun 29	Interest Bearing Loan	5.30%	10	77
ASELI sHeerenberg BV	8,000	8,000	8,000	Jun 29	Interest Bearing Loan	5.30%	133	220
PDC Industrial 92 Sp. zo.o	21,340	21,340	19,512	Oct 29	Interest Bearing Loan	4.10%	1,003	149
	361,164	153,800	193,685				3,304	4,260
Fair value of intercompany loans		153,800	193,685				3,304	4,260

5. Trade and Other Payables

	2020 €'000	2019 €'000
Investment Management fee payable	555	471
Accruals and other payables	498	567
	1,053	1,038

6. **Bank loans**

On 15 October 2020 the company entered into a new uncommitted four year €40 million master facilities loan agreement with Investec Bank plc. Under the facility, the company may make requests for drawdowns at selected short-duration tenors as and when needed to fund acquisitions or for other liquidity requirements. Within the facility, Investec Bank plc made available a £3.3 million committed revolving credit facility which is carved out of the total €40 million limit of the facility. As at 31 December 2020 the company had not drawndown any of the facility.

As at 31 December 2020 the company incurred €196,000 of capitalised financing fees, which are being spread over the four year term of the facility.

7. **Share Capital and Share Premium**

	2020 €'000	2019 €'000
Opening Balance	2,645	2,122
Ordinary shares issued	111	523
As at 31 December	2,756	2,645

Ordinary shareholders participate in all general meetings of the Company on the basis of one vote for each share held.

Each Ordinary share has equal rights to dividends and equal rights to participate in a distribution arising from a winding up of the Company. The Ordinary shares are not redeemable.

On 26 June 2020, the Group increased its share capital by the issue of 5,000,000 new Ordinary Shares at 105p (€1.16) per share. On 4 August 2020, the Group increased its share capital by the issue of 5,000,000 new Ordinary Shares at 104p (€1.15) per share. The number of Ordinary Shares authorised, issued and fully paid at 31 December 2020 is 244,500,001 (2019: 234,500,001). The nominal value of each share is £0.01.

Share Premium

	2020 €'000	2019 €'000
Opening Balance	50,364	-
Premium arising on issue of new shares	11,442	51,147
Share issue costs deducted	(115)	(783)
Balance at 31 December	**61,691**	**50,364**

The share premium arising in the year was converted to EUR using the issue date exchange rate on 26 June 2020 of 1.1040574 and on 4 August 2020 of 1.1069906.

8. **Dividends**

To maintain status as an approved Investment Trust Company, the Company must comply with the eligibility conditions set out in section 1158 of the Corporation Tax Act 2010 as well as additional requirements outlined in The Investment Trust (Approved Company) (Tax) Regulations 2011. Regulation 19 provides that the Company must comply with an income distribution requirement and, specifically, cannot retain more than the higher of 15% of its income for the accounting period or any brought forward revenue reserve deficit. Any dividend that the Company must pay in order to satisfy this requirement must be paid within 12 months of the end of the accounting period.

Dividends paid in the year have therefore been split between the Special Distributable Reserve and Revenue Reserve as follows:

	Special Distributable Reserve €'000	Revenue Reserve €'000	Total €'000	Accounting Period Applied to for Income Retention Test
2019 Fourth Interim dividend of 1.27p per Share paid 27 March 2020	1,205	2,101	3,306	2019
2020 First Interim dividend of 1.41c (1.24p) per Share paid 26 June 2020	2,665	641	3,306	2020
2020 Second Interim dividend of 1.41c (1.24p) per Share paid 25 September 2020	-	3,448	3,448	2020
2020 Third Interim dividend of 1.41c (1.24p) per Share paid 30 December 2020	2,048	1,400	3,448	2020
	5,918	7,590	13,508	

9. Capital Commitments

As at 31 December 2020 the company had capital commitments of €207.4m (2019 - €110.4m) relating to undrawn intercompany loans.

10. Ultimate Parent Company

In the opinion of the Directors on the basis of shareholdings advised to them, the Company has no immediate or ultimate controlling party.

11. Fair Value of Financial Instruments

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- **Level 1:** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable either directly (i .e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- **Level 3:** Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

Fair value hierarchy

The Company's financial instruments measured at fair value relate to intercompany loans due from group entities, disclosed in Note 4. The intercompany loans are classified as level 3 (2018: level 3) in the fair value hierarchy.

Level 3 fair value measurements

Reconciliation

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

	2020 €'000	2019 €'000
Opening balance	193,685	142,652
Issued	31,001	116,211
Repayments	(26,357)	(67,316)
Conversions to share capital	(44,416)	-
Reclassifications	(113)	-
FV adjustments	-	2,138
Closing balance	**153,800**	**193,685**

Valuation techniques include net present value and discounted cash flows, comparison with similar instruments for which observable market prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates.

Unobservable inputs used in measuring fair value

The following table sets out information about significant unobservable inputs used at 31 December 2020 and 2019 in measuring financial instruments categorised as Level 3 in the fair value hierarchy

Range of estimates (weighted-average) for unobservable input	Fair value measurement sensitivity to unobservable inputs	Movement	Effect on valuation €'000
2 – 6% (2019: 2 – 6%)	Significant increases in any of these inputs in isolation would result in lower fair values.	+1%	(12,362) (2019:(11,807)
		-1%	9,881 (2019:11,986)

Avignon (France), new building with a 9 year lease and solar panels on roof

Corporate Information

The Company's Investment Manager is Aberdeen Standard Investments Ireland Limited, a wholly owned subsidiary of Standard Life Aberdeen plc. Assets under management of the combined investment division, Aberdeen Standard Investments, were £456 billion as at 31 December 2020.

Information about the Investment Manager

Aberdeen Standard Fund Managers Limited

Aberdeen Standard Fund Managers Limited ("ASFML"), authorised and regulated by the Financial Conduct Authority, has been appointed as alternative investment fund manager to the Company. ASFML has in turn delegated portfolio management to the Amsterdam branch of Aberdeen Standard Investments Ireland Limited ("ASIIL").

Aberdeen Standard Investments

Worldwide, Aberdeen Standard Investments manages a combined £456 billion (as at 31 December 2020) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

Aberdeen Standard Investments operates a fully integrated property investment management platform and has an extensive regional presence with offices in 14 countries across the UK and Continental Europe.

The Investment Team Senior Managers

Evert Castelein

Fund Manager, Real Estate Investment Management

Evert is the primary Fund Manager responsible for the Company's portfolio and is based in Amsterdam. Prior to the Company's launch, he was Assistant Fund Manager for one of Aberdeen Standard Investment's flagship funds: the Aberdeen European Balanced Property Fund with 13 retail, 3 office and 7 logistics properties in 7 Eurozone countries. Evert joined the ASI Real Estate Fund team in 2012, prior to which he was responsible for the asset management of a small German and Swedish fund and also Senior Analyst within the Property Research and Strategy team of Aberdeen Asset Management PLC (AAM). Evert joined Goodman Property Investors (which was acquired by AAM in 2008) in 2006, a leading unlisted property partnership investing in logistics real estate across Europe and the FGH Bank Netherlands, market leader in the financing of Dutch commercial real estate, where he worked as a research analyst. Evert has 15 years' experience within the (direct) real estate market. Evert holds a Masters degree in Economic Geography from the University of Groningen and has a Master of Science in Real Estate (MSRE). Evert speaks Dutch, Frysian, German, French and English.

The pan-European real estate team is comprised of over 280 real estate professionals in 17 offices with expertise in fund management, research, transactions, asset management, financing and other specialist property activities.

The real estate teams are based in well-established offices in London, Frankfurt, Paris, Madrid, Amsterdam and Brussels, as well as the Nordics, and these teams are responsible for sourcing and managing all the assets acquired across the region. Having teams in the key target markets in which the Company proposes to invest provides, in the Investment Manager's view, a significant competitive advantage, with improved local market knowledge, better access to potential deals, closer implementation of asset business plans and improved ability to manage and mitigate risk.

Attila Molnar

Fund Manager, Real Estate Investment Management

Attila is a Fund Manager based in Frankfurt. Attila joined Dresdner Bank's property fund management business (DEGI) in 2006, shortly before the business was acquired by Aberdeen Asset Management PLC. Attila has been involved in the planning and establishment of new product lines for institutional clients and joined the fund management teams of those funds. At present in addition to his responsibilities for the Company he is responsible for two institutional funds. Prior to joining DEGI Attila worked for PricewaterhouseCoopers where he was responsible for a diverse range of audit and due diligence projects in the property funds sector. Attila graduated with a MSc in Accounting and Finance from Budapest University of Economics and speaks English, German and Hungarian.

James Wythe

Deputy Fund Manager, Real Estate Investment Management

James is a deputy Fund Manager working on the Company's portfolio and is based in Amsterdam. He joined Standard Life Investments in 2016, just before the merger with Aberdeen Asset Management, to assist with the management of a balanced Dutch and Swedish portfolio. James then assumed responsibility for the overall management of that portfolio in 2018 before joining the team working on the Company's logistics portfolio in 2019. James graduated with a BSc in Biology from The University of Nottingham and has an MSc in Real Estate from the University of Reading. He is also a member of the RICS.

The Investment Process

The Investment Manager is responsible for sourcing and managing the transaction process for new acquisitions. The Investment Manager sources potential acquisitions through its property teams based in Europe. The teams based in the target markets have an in-depth knowledge of the local markets and a wide network of relationships for identifying and selecting the best investment opportunities. Having local teams on the ground provides for in-depth local insight and, in turn, is a significant competitive advantage that should enable the Investment Manager to implement the Company's investment policy in the key cities and regions.

Furthermore, focusing on income durability, location and propensity for rental growth, combined with the ability to carry out active asset management, enables the Investment Manager to invest in properties where the competition from other investors is weaker than for the big, long-leased properties with no asset management requirements, where competition among potential buyers is very high.

Each transaction is assessed against individual fund criteria and, if considered potentially suitable, a detailed financial and economic analysis and review is undertaken of the property, the location, quality of construction, the existing leases, the rents being paid versus market level, the tenants and the market prospects. This process is informed by a significant database of proprietary information held by the Investment Manager, experienced investment professionals, including people on the ground in the relevant markets and a dedicated research function that assists in identifying rental and capital growth prospects at country, regional, city, sub-market and sector level.

The Investment Manager operates a pan-European Investment Committee which approves all investment plans, transactions, financing decisions and material asset management activity. The Investment Committee includes senior members of the real estate team. If, following analysis, property inspections and negotiations with the owner of the property, the fund managers wish to proceed with an acquisition, Investment Committee approval is required.

An active asset management strategy (i.e. defining, implementing and regularly reviewing business plans for each property in the Portfolio) is an important element in helping to deliver investment performance. An important part of this is that the properties are managed by local asset managers in the countries where the properties are located who have better access to tenants, advisers and consultants to help generate outperformance.

Active asset management means the individual asset manager involved in acquiring the property is also responsible for implementing the business plan once acquired, resulting in carefully researched and robust assumptions and a focus on long-term performance from purchase through to any potential sale. The types of active asset management initiatives which the Investment Manager may utilise are:

- renegotiating leases to capture market rental growth and/or extend lease duration;
- managing any vacancies to maximise rental performance;
- exploiting ancillary development opportunities on or around the properties;
- assessing and effecting changes of use where this would add value;
- undertaking refurbishments to increase rents; and
- changing unit size and configuration to maximise the potential income from a property.

The majority of the Portfolio comprises properties where the main asset management activities are likely to be renegotiating leases, managing vacancies, growing rental income and undertaking light refurbishments.

Investor Information

Keeping You Informed

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Company's website (**eurologisticsincome.co.uk**) and the TrustNet website (**trustnet.co.uk**). Alternatively you can call 0808 500 0040 (free when dialling from a UK landline) for investment company information.

Twitter:

https://twitter.com/AberdeenTrusts

LinkedIn:

https://www.linkedin.com/company/aberdeen-standard-investment-trusts

Investor Warning

The Board has been made aware by the Manager that some investors have received telephone calls from people purporting to work for the Manager, or third parties, who have offered to buy their investment trust shares. These may be scams which attempt to gain personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from an investor is required to release the supposed payment for their shares. These callers do not work for the Manager and any third party making such offers has no link with the Manager. The Manager never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact the Manager's investor services centre using the details provided below.

Dividend Tax Allowance

The annual tax-free personal allowance on dividend income is £2,000 for the 2021/2022 tax year. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will provide registered shareholders with a confirmation of dividends paid by the Company and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

Direct

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through Aberdeen Standard's Investment Plan for Children, Aberdeen Standard's Investment Trust Share Plan and Investment Trust ISA.

Aberdeen Standard Investment Plan for Children

Aberdeen Standard runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management including the Company. Anyone can invest in the Children's Plan, including parents, grandparents and family friends (subject to the eligibility criteria as stated within the terms and conditions). All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on all purchases. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard runs a Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%). Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Stocks and Shares ISA

An investment of up to £20,000 can be made in the tax year 2021/2022. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Investors have full voting and other rights of share ownership. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

You can choose to transfer previous tax year investments to us which can be invested in the Company while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000, subject to a minimum per trust of £250.

Shareholder Enquiries

In the event of queries regarding their holdings of shares, lost certificates dividend payments, registered details, etc shareholders holding their shares in the Company directly should contact the registrars, Equiniti Limited, Aspect House, Spencer road, Lancing West Sussex or Tel: 0371 384 2416 Lines are open 8.30 a.m. to 5.30 p.m. (UK Time) Monday to Friday (excluding public holidays in England & Wales). Calls may be recorded and monitored randomly for security and training purposes. Changes of address must be notified to the registrars in writing.

Any general enquiries about the Company should be directed to the Company Secretary, Aberdeen Standard European Logistics Income PLC, Bow Bells House, 1 Bread Street, London EC4M 9HH or by email at **CEF.CoSec@aberdeenstandard.com**.

If you have any questions about an investment held through the Aberdeen Standard Investment Trust Share Plan, Stocks and Shares ISA or Investment Plan for Children, please telephone the Manager's Customer Services Department on 0808 500 0040. Alternatively, email **inv.trusts@aberdeenstandard.com** or write to Aberdeen Standard Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

Literature Request Service

For literature and application forms for the Company and the Aberdeen Standard range of investment trust products, please telephone: 0808 500 4000. For information on the Aberdeen Standard Investment Plan for Children, Share Plan, ISA or ISA Transfer please write to Aberdeen Standard Investment Trust Administration, PO Box 11020, Chelmsford, Essex, CM99 2DB or telephone the Manager's Customer Services Department on 0808 500 00 40 (free from a UK landline). Terms and conditions for the Aberdeen Standard managed savings products can be found under the literature section of **invtrusts.co.uk**.

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Manager's website:

www.invtrusts.co.uk/en/fund-centre/literature-order-form.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

AJ Bell YouInvest; Barclays Smart Investor; Charles Stanley Direct; EQi; Fidelity; Halifax; Hargreaves Lansdown; Interactive Investor; Novia; Transact; and Standard Life.

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management and Financial Advice Association at **pimfa.co.uk**.

Independent Financial Advisers

To find an adviser who recommends on investment trusts, visit **unbiased.co.uk**.

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:
Tel: 0800 111 6768
https://register.fca.org.uk/
register@fca.org.uk

AIFMD

The Company has appointed Aberdeen Standard Fund Managers Limited as its alternative investment fund manager and NatWest Trustee and Depositary Services Limited as its depositary under the AIFMD. Details of the leverage and risk policies which the Company is required to have in place under AIFMD are published in the Company's PIDD which can be found on the website **eurologisticsincome.co.uk**. The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 114.

Suitable for Retail/NMPI Status

The Company's securities are intended for investors primarily in the UK (including retail investors), professional-advised private clients and institutional investors who are seeking exposure to European logistical real estate and who understand and are willing to accept the risks of exposure to this asset class. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that its securities can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's (FCA) rules in relation to non-mainstream pooled investments (NMPIs) and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs may be changed by future legislation.

The information on pages 108 to 110 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority.

EPRA Financial Reporting (Unaudited)

In October 2019, EPRA issued new best practice recommendations (BPR) for financial guidelines on its definitions of NAV measures: EPRA net tangible assets (NTA), EPRA net reinvestment value (NRV) and EPRA net disposal value (NDV) – effective 1 Jan 2020. The rationale behind each of these measures is set out below. The Group has adopted these new guidelines and applied them in this Annual Report. EPRA Net Tangible Assets (NTA) is considered to be the most relevant NAV measure for the Group and will now report this as the primary non-IFRS NAV measure, replacing the previously reported EPRA NAV per share metrics.

The tables below sets out what the 2019 EPRA numbers were and what they would have been under the new guidelines.

Rationale:

EPRA Net Tangible Assets:

The underlying assumption behind the EPRA Net Tangible Assets calculation assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability.

EPRA Net Reinstatement Value:

The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

EPRA Net Disposal Value:

Shareholders are interested in understanding the full extent of liabilities and resulting shareholder value if company assets are sold and/or if liabilities are not held until maturity. For this purpose, the EPRA Net Disposal Value provides the reader with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability, including tax exposure not reflected in the Balance Sheet, net.

EPRA Performance Measures

	31 December 2020 Total	31 December 2019 Total
EPRA earnings (€'000)	12,106	7,247
EPRA earnings per share (cents)	5.06	3.49
EPRA Net Tangible Assets (“NTA”) (€'000)	309,251	264,947
EPRA NTA per share (cents)	126.48	112.98
EPRA Net Reinstatement Value ("NRV") (€'000)	333,002	282,092
EPRA NRV per share (cents)	136.20	120.30
EPRA Net Disposal Value (“NDV”)(€'000)	287,003	260,277
EPRA NDV per share (cents)	117.38	110.99
EPRA Net Initial Yield	4.54%	4.74%
EPRA topped-up Net Initial Yield	4.66%	5.10%
EPRA Vacancy Rate	0.0%	0.0%
EPRA Cost Ratios - including direct vacancy costs	24%	29%
EPRA Cost Ratios - excluding direct vacancy costs	24%	29%

		31 December 2020 Total	31 December 2019 Total
A.	**EPRA Earnings (€000)**		
	Earnings per IFRS income statement	35,389	19,429
	Adjustments to calculate EPRA Earnings, exclude:	-	-
	Net changes in value of investment properties	(32,878)	(16,852)
	Deferred tax	9,629	4,662
	Changes in fair value of financial instruments	(34)	8
	EPRA Earnings	12,106	7,247
	Weighted average basic number of shares	239,213	207,845
	EPRA Earnings per share (pence per share)	5.06	3.49
B.	**EPRA Net Tangible Assets ("NTA" (€'000)**		
	IFRS NAV	293,596	260,277
	Exclude:		
	Fair value of financial instruments	26	8
	Deferred tax in relation to fair value gains of Investment Property	15,629	4,662
		309,251	264,947
	Shares in issue at end of year	2,445,000	2,345,000
	EPRA NAV per share	126.48	112.98
C.	**EPRA Net Reinstatement Value ("NRV") (€'000)**		
	EPRA NRV	309,251	264,947
	Real Estate Transfer Tax and other acquisition costs	23,751	17,145
	EPRA NRV	333,002	282,092
	EPRA NRV per share	136.20	120.30
D.	**EPRA Net Disposal Value ("NDV") (€'000)**		
	IFRS NAV	293,596	260,277
	Fair Value of Fixed Interest Debt	(6,593)	(5,414)
	EPRA NDV	287,003	254,863
	EPRA NRV per share	117.38	108.68

		31 December 2020 Total	31 December 2019 Total
E.	**EPRA Net Initial Yield and 'topped up' NIY disclosure**		
	Investment property - wholly owned	430,200	350,125
	Less developments	-	-
	Completed property portfolio	**430,200**	**350,125**
	Allowance for estimated purchasers' costs	23,751	17,145
	Gross up completed property portfolio valuation	**453,951**	**367,270**
	Annualised cash passing rental income	21,933	17,717
	Property outgoings	(1,305)	(319)
	Annualised net rents	**20,628**	**17,398**
	Add: notional rent expiration of rent free periods or other lease incentives	522	1,322
	Topped-up net annualised rent	21,150	18,720
	EPRA NIY	**4.54%**	**4.74%**
	EPRA "topped-up" NIY	**4.66%**	**5.10%**
F.	**EPRA Cost Ratios**		
	Administrative / property operating expense line per IFRS income statement	7,895	6,075
	Less recoverable service charge	(3,096)	(2,233)
	EPRA Costs (including direct vacancy costs)	4,799	3,842
	Direct vacancy costs	-	-
	EPRA Costs (excluding direct vacancy costs)	4,799	3,842
	Gross Rental income less ground rent costs	20,257	13,376
	EPRA Cost Ratio (including direct vacancy costs)	24%	29%
	EPRA Cost Ratio (excluding direct vacancy costs)	24%	29%

Alternative Investment Fund Managers Directive Disclosures (Unaudited)

Aberdeen Standard Fund Managers Limited and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ('AIFMD'). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ('PIDD') which can be found on the Company's website **eurologisticsincome.co.uk**. There have been no material changes to the disclosures contained within the Prospectus.

The periodic disclosures as required under the AIFMD to investors are made below:

- Information on the investment strategy, geographic and sector investment focus and principal stock exposures are included in the Strategic Report.
- None of the Company's assets are subject to special arrangements arising from their illiquid nature.
- The Strategic Report, note 22 to the Financial Statements and the PIDD together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected.
- There are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by ASFML.
- All authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the Company's AIFM remuneration policy is available from the Company Secretaries, Aberdeen Asset Management PLC on request (see contact details on page 109) and the numerical remuneration in the disclosures in respect of the AIFM's reporting period for the year ended 31 December 2020 are available on the Company's website.

Leverage

The table below sets out the current maximum permitted limit and actual level of leverage for the Company:

	Gross method	Commitment method
Maximum level of leverage	365.0%	185.0%
Actual level at 31 December 2020	146.5%	146.5%

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There is no right of re-use of collateral or any guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which ASFML may employ on behalf of the Company; the right of use of collateral or any guarantee granted under any leveraging arrangement; or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

The information above has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority.

Glossary of Terms and Definitions and Alternative Performance Measures

Aberdeen Standard Investments or ASI	Aberdeen Standard Investments is a brand of the investment businesses of Standard Life Aberdeen plc
AIC	Association of Investment Companies
AIFMD	The Alternative Investment Fund Managers Directive
AIFM	the alternative investment fund manager, being ASFML
Alternative Performance Measures	Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The alternative performance measures that have been adopted by the Company are in line with general comparable measures used widely across the investment trust industry such as the level of discount/premium, NAV/ Share price total return and ongoing charges which are each explained more fully below. The Company's applicable financial framework includes IFRS and the AIC SORP
Annual Rental Income	Cash rents passing at the Balance Sheet date
ASFML or AIFM or Manager	Aberdeen Standard Fund Managers Limited
ASIIL or the Investment Manager	Aberdeen Standard Investments Ireland Limited is a wholly owned subsidiary of Standard Life Aberdeen plc and acts as the Company's investment manager
Asset Cover	The value of a company's net assets available to repay a certain security. Asset cover is usually expressed as a multiple and calculated by dividing the net assets available by the amount required to repay the specific security
Contracted Rent	The contracted gross rent receivable which becomes payable after all the occupier incentives in the letting have expired
Covenant Strength	This refers to the quality of a tenant's financial status and its ability to perform the covenants in a lease
Dividend Cover[1]	The ratio of the Company's net profit after tax (excluding the below items) to the dividends paid.

	As at 31 December 2020	As at 31 December 2019
Earnings per IFRS income statement	35,389	19,429
Adjustments to calculate dividend cover:		
Net changes in the value of investment property	(32,878)	(16,852)
Deferred Taxation	9,629	4,662
Effects of foreign exchange differences	591	492
Profits (A)	12,731	7,731
Dividend (B)	13,508	12,112
Dividend Cover (A)/(B)	94.2%	63.8%

[1] Defined as an alternative performance measure.

Discount[1]

The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the NAV per share

	As at 31 December 2020	As at 31 December 2019
Share price (A)	108.50p	90.40p
NAV (B)	107.95p	94.21p
Premium / (Discount) (A-B)/B	0.5%	(4.0)%

Earnings Per Share

Profit for the period attributable to shareholders divided by the average number of shares in issue during the period

EPRA

European Public Real Estate Association

Europe

The member states of the European Union, the European Economic Area ("EEA") and the members of the European Free Trade Association ("EFTA") (and including always the United Kingdom, whether or not it is a member state of the European Union, the EEA or a member of EFTA)

ERV

The estimated rental value of a property, provided by the property valuers

Gearing[1]

Calculated as gross external bank borrowings dividend by total assets

Bank loans	€144.6m
Gross Assets	€460.9m
Gearing	31.4%

Group

The Company and its subsidiaries

Gross Assets and Gross Asset Value (GAV)

The aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time

	As at 31 December 2020	As at 31 December 2019
Gross Asset Value per Balance Sheet	484,105	382,981
Exclude IFRS 16 right of use asset	(23,170)	-
Gross Assets	460,935	382,981

FRC

Financial Reporting Council

IFRS

International Financial Reporting Standards

Index Linked

The practice of linking the review of a tenant's payments under a lease to a published index, most commonly the Retail Price Index (RPI) but also the Consumer Price Index (CPI), French Tertiary Activities Rent Index (ILAT)

Key Information Document or KID

The Packaged Retail and Insurance-based Investment Products (PRIIPS) Regulation requires the Manager, as the Company's PRIIP "manufacturer," to prepare a key information document ("KID") in respect of the Company. This KID must be made available by the AIFM to retail investors prior to them making any investment decision and is available via the Company's website. The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns are prescribed by law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed

[1] Defined as an alternative performance measure.

Lease incentive

A payment used to encourage a tenant to take on a new lease, for example by a landlord paying a tenant a sum of money to contribute to the cost of a tenant's fit-out of a property or by allowing a rent free period

Leverage

For the purposes of the Alternative Investment Fund Managers Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other

NAV total return[1]

The return to shareholders, expressed as a percentage of opening NAV, calculated on a per share basis by adding dividends paid in the period to the increase or decrease in NAV. Dividends are assumed to have been reinvested in the quarter they are paid, excluding transaction costs

	Year ended 31 December 2020	Year ended 31 December 2019
Opening NAV	111.0c	107.8c
Movement in NAV	9.1c	3.2c
Closing NAV	120.1c	111.0c
% increase in NAV	8.20%	2.97%
Impact of reinvested dividends	5.36%	5.66%
NAV total return	13.56%	8.63%

Net Asset Value or NAV

The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share

Ongoing Charges[1]

Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the industry standard. A reconciliation of ongoing charges is below:

	Year ended 31 December 2020	Year ended 31 December 2019
Expenditure per Statement of comprehensive income	7,895	6,075
Less Property service charge expense and bad debt provision	(3,492)	(2,233)
Group operating costs including property costs (A)	4,403	3,842
Less Direct property expenses and property management fees excluding bad debt provision	(909)	(419)
Group operating costs (excluding property costs) (B)	3,494	3,423
Average net asset value (C)	275,964	222,725
Ongoing charges (excluding property costs) (B/C)	1.3%	1.5%
Ongoing charges (including property costs) (A/C)	1.6%	1.7%

Passing Rent

The rent payable at a particular point in time

PIDD

The pre-investment disclosure document made available by the AIFM in relation to the Company

Premium[1]

The amount by which the market price per share of an investment trust exceeds the net asset value per share. The premium is normally expressed as a percentage of the net asset value per share

Prior Charges

The name given to all borrowings including long and short term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital, irrespective of the time until repayment

Portfolio fair value

The market value of the company's property portfolio, which is based on the external valuation provided by CBRE GmbH

The Royal Institution of Chartered Surveyors (RICS)

The global professional body promoting and enforcing the highest international standards in the valuation, management and development of land, real estate, construction and infrastructure

Share price total return[1]

The return to shareholders, expressed as a percentage of opening share price, calculated on a per share basis by adding dividends paid in the period to the increase or decrease in share price. Dividends are assumed to have been reinvested in the quarter they are paid, excluding transaction costs

	Year ended 31 December 2020	Year ended 31 December 2019
Opening Share Price	90.4p	102.2p
Movement in share price	18.1p	(11.8)p
Closing share price	108.5p	90.4p
% increase/(decrease) in share price	20.02%	(11.55)%
Impact of reinvested dividends	6.61%	4.56%
Share price total return	26.63%	(6.99)%

SPA

Sale and purchase agreement

SPV

Special purpose vehicle

Standard Life Aberdeen Group

the Standard Life Aberdeen plc group of companies

Total Assets

Total assets less current liabilities (before deducting prior charges as defined above)

WAULT

Weighted Average Unexpired Lease Term. The average time remaining until the next lease expiry or break date

[1] Defined as an alternative performance measure.

Notice of Annual General Meeting

Notice is hereby given that the third annual general meeting (the "Annual General Meeting") of Aberdeen Standard European Logistics Income PLC (the "Company") will be held at Bow Bells House, 1 Bread Street, London EC4M 9HH, at 3:00 p.m. on 7 June 2021 for the following purposes:

To consider and if thought fit, pass the following resolutions of which Resolutions 1 to 10 will be proposed as ordinary resolutions and Resolutions 11 to 13 as special resolutions:

Ordinary Business

1. To receive and adopt the Company's financial statements for the year ended 31 December 2020, together with the Directors' Report and the auditor's report thereon.
2. To receive and adopt the Directors' Remuneration Report as set out in the Company's Annual Report and financial statements for the year ended 31 December 2020 (other than the Directors' Remuneration Policy as set out on pages 55 and 56 of the Directors' Remuneration Report).
3. To authorise the Directors of the Company to declare and pay all dividends of the Company as interim dividends and for the last dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval.
4. To re-elect Ms C. Gulliver as a Director.
5. To re-elect Mr J. Heawood as a Director.
6. To re-elect Mr T. Roper as a Director.
7. To re-elect Ms D. Wilde as a Director.
8. To re-appoint KPMG LLP as the Company's auditor to hold office from the conclusion of this Annual General Meeting until the conclusion of the next annual general meeting at which accounts are laid before the Company.
9. To authorise the Directors to determine the auditor's remuneration.

Special Business

10. THAT in substitution for all existing powers the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all powers of the Company:

    (a) to allot shares in the Company up to an aggregate nominal amount of £867,735 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authority in sub-paragraph (b) below in excess of £867,735); and

    (b) to grant rights ("Relevant Rights") to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £1,735,470 (such amount to be reduced by the nominal amount of any shares allotted pursuant to the authority in sub-paragraph (a) above) in connection with an offer made by means of a negotiable document to (i) all holders of ordinary shares of £0.01 each in the capital of the Company ("Ordinary Shares") in proportion (as nearly as may be practicable) to the respective numbers of such Ordinary Shares held by them and (ii) to holders of other equity securities as required by the rights of those securities (but subject in either case to such exclusions, limits or restrictions or other arrangements as the Directors may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of any territory, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever);

    such authorisation to expire on 30 June 2022 or, if earlier, at the conclusion of the next annual general meeting of the Company to be held in 2022 unless previously renewed, revoked or varied by the Company in general meeting, save that the Company may at any time before the expiry of this authorisation make an offer or enter into an agreement which would or might require shares to be allotted or Relevant Rights to be granted after the expiry of this authorisation and the Directors may allot shares or grant Relevant Rights in pursuance of any such offer or agreement as if the authorisation conferred hereby had not expired.

11. THAT subject to the passing of Resolution numbered 10 above and in substitution for all existing powers the Directors be empowered pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 (1), (2) and (3) of the Act) for cash either pursuant to the authorisation under section 551 of the Act as conferred by Resolution 10 above or by way of a sale of treasury shares, in each case for cash as if section 561(1) of the Act did not apply to such allotment or sale, provided that this power shall be limited to:

(a) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (b) below) to any person up to an aggregate nominal amount of £262,950 which are, or are to be, wholly paid up in cash, at a price representing a premium to the net asset value per share at allotment, as determined by the Directors, and do not exceed up to 10% of the issued share capital (as at the date of the Annual General Meeting convened by this notice); and

(b) the allotment of equity securities in connection with an offer (but, in the case of the authority granted under Resolution 10(b) above, by way of a rights issue only) to (i) all holders of Ordinary Shares in proportion (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them and (ii) to holders of other equity securities as required by the rights of those securities (but subject in either case to such exclusions, limits or restrictions or other arrangements as the Directors may consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of any territory, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever) at a price representing a premium to the net asset value per share at allotment, as determined by the Directors, and such power shall expire on 30 June 2022, or, if earlier, at the conclusion of the next annual general meeting of the Company to be held in 2022 unless previously renewed, revoked or varied by the Company in general meeting, save that the Company may at any time before the expiry of this power make an offer or enter into an agreement which would or might require equity securities to be allotted or treasury shares to be sold after the expiry of this power and the Directors may allot securities or sell treasury shares in pursuance of any such offer or agreement as if the power conferred hereby had not expired.

12. THAT, the Company be generally and unconditionally authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares and to cancel or hold in treasury such shares provided that:

(a) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 14.99% of the Ordinary Shares in issue as at the date of the passing of this Resolution;

(b) the minimum price which may be paid for an Ordinary Share is £0.01;

(c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall not be more than the higher of (i) an amount equal to 5% above the average of the middle market quotations for an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out;

(d) the authority hereby conferred shall expire on 30 June 2022, or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2022 unless such authority is renewed, revoked or varied prior to such time by the Company in general meeting; and

(e) the Company may make a contract to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary Shares pursuant to any such contract.

13. THAT a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board
Aberdeen Asset Management PLC
Secretaries

Bow Bells House
1 Bread Street
London
EC4M 9HH
28 April 2021

Notes:

1. In accordance with section 311A of the Companies Act 2006, the contents of this Notice of Meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website **eurologisticsincome.co.uk**.

2. As a member, you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise the rights attached to any one share. A form of proxy is enclosed.

3. To be valid, any form of proxy or other instrument of proxy and any power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to the Company's registrars so as to arrive not less than 48 hours before the time fixed for the meeting (excluding non working days). The return of a completed form of proxy or other instrument of proxy will not prevent you attending the Annual General Meeting and voting in person if you wish to do so.

4. The right to vote at the meeting is determined by reference to the Company's register of members as at 6.30 p.m. on 3 June 2021 or, if this meeting is adjourned, at 6.30 p.m. on the day two business days prior to the adjourned meeting. Changes to the entries on that register of members after that time shall be disregarded in determining the rights of any member to attend and vote at the meeting.

5. As a member you have the right to put questions at the meeting relating to the business being dealt with at the meeting.

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual which can be viewed at **www.euroclear.com**. The message must be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the notice of Annual General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

9. You may also submit your proxy votes via the internet. You can do so by visiting www.sharevote.co.uk. You will require your voting ID, task ID and Shareholder Reference Number. This information can be found under your name on your form of proxy. Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at **www.shareview.co.uk** using their user ID and password. Once logged in, click "view" on the "My Investments" page. Click on the link to vote and follow the on screen instructions.

10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

11. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

12. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative

exercises powers over the same share. A Director, the company secretary, or some person authorised for the purpose by the company secretary, may require any representative to produce a certified copy of the resolution so authorising him or such other evidence of his authority reasonably satisfactory to such Director, company secretary or other person before permitting him to exercise his powers.

13. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between them and the member by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights. Any person holding 3% of the total voting rights in the Company who appoints a person other than the Chairman as his or her proxy(ies) will need to ensure that both he or she and such proxy(ies) comply with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.

14. The statement of the rights of members in relation to the appointment of proxies in paragraphs 2 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.

15. As at close of business on 28 April 2021 (being the latest practicable date prior to publication of this document), the Company's issued share capital comprised 262,950,001 Ordinary Shares and there were no shares held in treasury. Each Ordinary Share carries the right to one vote at a general meeting of the Company and therefore the total number of voting rights in the Company as at close of business on 28 April 2021 is 262,950,001.

16. No Director has a service contract with the Company, however, copies of Directors' letters of appointment will be available for inspection for at least 15 minutes prior to the meeting and during the meeting.

17. Under section 338 of the Companies Act 2006, members may require the Company to give, to members of the Company entitled to receive this Notice of Meeting, notice of a resolution which may properly be moved and is intended to be moved at the Annual General Meeting. Under section 338A of that Act, members may request the Company to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may be properly included in the business.

18. Members should note that it is possible that, pursuant to requests made by the members of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid out before the Annual General Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on the website.

19. Pursuant to section 319A of the Companies Act 2006, the Company must cause to be answered at the Annual General Meeting any question relating to the business being dealt with at the Annual General Meeting which is put by a member attending the meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.

20. You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

21. There are special arrangements for holders of shares through Aberdeen Standard Investment Plan for Children, Investment Trust Share Plan and Investment Trust Individual Savings Account ("Plan Participants"). These are explained in the separate 'Letter of Direction' which Plan Participants will have received with this Annual Report.

22. **Given the risks posed by the spread of Covid-19 and in accordance with the provisions of the Articles of Association, the Company may impose entry restrictions on certain persons wishing to attend the AGM. Such restrictions may include restricting the attendance of shareholders to a maximum of two and preventing attendance at the meeting in person of shareholders considered to be high risk in line with relevant guidance or who may be exhibiting signs of possible infection. Other restrictions may be imposed as the chairman of the meeting may specify in order to ensure the safety of those attending the AGM.**

Contact Addresses

Directors
Anthony Roper, (Chairman)
Caroline Gulliver
John Heawood
Diane Wilde

Secretaries and Registered Office
Aberdeen Asset Management PLC
Bow Bells House
1 Bread Street
London EC4M 9HH

Alternative Investment Fund Manager
Aberdeen Standard Fund Managers Limited
Bow Bells House
1 Bread Street
London EC4M 9HH

Investment Manager
Aberdeen Standard Investments Ireland Limited
2nd Floor
2-4 Merrion Row
Dublin 2

Stockbrokers
Investec PLC
30 Gresham Street
London EC2V 7QP

Solicitors
Gowling WLG (UK) LLP
4 More London Riverside
London
SE1 2AU

Registrars
Equiniti Limited
Aspect House Spencer Road
Lancing
West Sussex BN99 6DA

Tel: 0371 384 2416
Tel: +44 (0) 121 415 7047 (International)
Lines open 8:30am to 5:30pm (UK time), Monday to Friday, (excluding public holidays in England and Wales)
shareview.co.uk

Depositary
NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA

Independent Auditor
KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Website
eurologisticsincome.co.uk

Foreign Account Tax Compliance Act ("FATCA") IRS Registration Number ("GIIN")
DF2TVL.99999.SL.826

Legal Entity Identifier (LEI)
213800I9IYIKKNRT3G50

Registered Number
Incorporated in England & Wales with number 11032222

Visit us online
eurologisticsincome.co.uk

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