

Opportunity to invest in the leading urban logistic warehousing company in Moscow, focused on servicing the e-commerce and last mile industries

COMPANY PROFILE

Location: **Moscow, Russia**

Sector: **Warehouses**

Structure: **Russian REIT (ZPIF)**

Client focus: **E-commerce**

Initial Fund raising: **c.US\$125mn / RUB10bn**

Fund term: **7 years**

Target returns (IRR): **25%+**

Team: **Jean Francois Ott, Michel Pascalis, Michael Lange**

Track record: **US\$11bn investments**

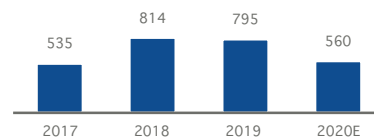
INVESTMENT HIGHLIGHTS

Robust warehouse market fundamentals

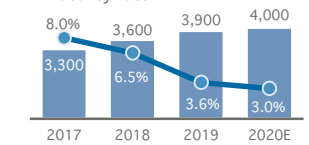


- New construction is close to historical lows
- Over 60% of new supply is built-to-suit / pre-let
- Structural deficit of warehouse facilities supported by low vacancy rates fueling rental rates growth

■ New construction in Moscow region
ths. sqm, class A and B



■ Net rental rates for Class A warehouses in Moscow, RUB/sqm per annum
— Vacancy rate

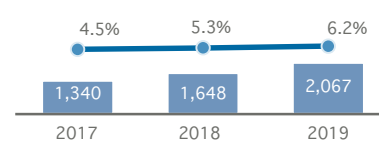


Booming E-commerce market



- Double-digit growth forecast in coming 10 years in Russia
- E-commerce warehouse take-up is expected to account for 30% of Moscow warehouse market in 2020

— E-commerce sales in Russia, RUBbn
— Share of e-commerce in retail sales



21% E-commerce sales CAGR '19-'23

6% Share of e-com sales materially lower major economies (e.g. UK – over 18%)

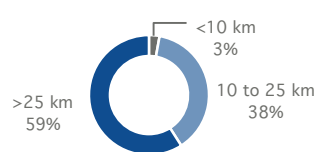
Post-COVID Major beneficiary of COVID-related events

Scarcity of warehouse infrastructure fit for e-commerce



- Major warehouse professionals focused on out-of-town logistics
- Last mile warehousing infrastructure not meeting modern retail and e-commerce requirements (e.g. cross docking facilities)

Location of top-10 warehouse owners' portfolio



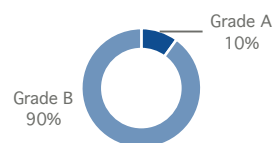
97% Located 10+ km from MKAD
New standards Urban, flexible, tech-enabled, small
Limited Presence of professional warehouse operators in "urban" segment

Segmented market – consolidation opportunity



- Strong consolidation playfield – highly fragmented market with multiple different owners
- Opportunity to establish urban logistic leadership – a robust pipeline of acquisition targets with several already in advanced stages of negotiations

Current Moscow warehouse offer (within MKAD)



1.5 mn sqm Available in the market
43 Warehouses
43 Different owners

SEASONED EXECUTIVE TEAM



Jean Francois Ott
Chairman
(Founder & Chairman Orco)

Orco, one of the leading RE development companies in CEE region, was acquired by CPI Property Group in 2016



Michel Pascalis
Co-CEO
(Founder & CEO MLP)

MLP – the leading warehouse market player in Russia, was acquired by SAFMAR Group in 2013



Michael Lange
Co-CEO
(Founder & CEO JLL Russia)

JLL – the 2nd largest commercial real estate services firm in the world

75 years
real estate experience

Europe – Central Europe – Russia



Value creation through high level asset and property management as well as financing structuring know how