



Trei Real Estate
ANNUAL REPORT

2020

”

Real estate cannot be lost or stolen, nor can it be carried away. Purchased with common sense, paid for in full, and managed with reasonable care, it is about the safest investment in the world.

Franklin D. Roosevelt

Trei Real Estate

ANNUAL REPORT

2020



CONTENT

Letter from Management	6
Key Facts	8
Highlights	9
COMPANY	10
The Tengelmann Group	12
Trei History	14
PORTFOLIO	16
Portfolio strategy	18
Residential projects in Germany	20
Residential projects in Poland	28
Residential projects in the USA	34
Vendo Parks in Poland, the Czech Republic and Slovakia	42
Retail portfolio in Europe	46
TEAM	50
Who we are	52
What defines us	53
From Mülheim to Düsseldorf	54
Conversation with Former COO	56
Spotlight on employees	58
KEY FINANCIAL DATA	62
ACKNOWLEDGEMENTS	63

LETTER FROM MANAGEMENT



To our fellow stakeholders,

we appreciate the time you are taking to read this introduction and for your interest in the first annual report of Trei – a report that documents how the company has changed over the 13 years since it was founded and gives insight into our strategic goals.

In this first edition of our annual report, we start by taking a look back: on the one hand, back to a year marked by some extraordinary, unfamiliar circumstances that put seemingly immutable constants to the test. It was also a year that showed us how well prepared and crisis-resistant we are with our real estate investments in supermarkets, retail centers and rental apartments, even in times such as these marked by COVID-19.

On the other hand, it is a look back to a very successful 2020 – and back to many challenges which were successfully overcome and to successes that were achieved together.

A look back that gives the necessary confidence in the potential and the strengths of our company, especially in times like these.

A look back at the historic milestones of Trei – as well as at the projects that we successfully completed, moved forward or started in 2020 – gives us a very good feeling and every reason to not only look back, but also look forward eagerly. In any case, we cannot wait to continue pursuing and implementing our strategy, both consistently and with passion – together!

Apropos together: we would like to take this opportunity to thank our employees in Germany, Poland, the Czech Republic, Portugal and the United States for their successful work and the continued progress of Trei in 2020. We would also like to thank our business partners and tenants for their loyalty, cooperation and interest in our company.

Now there is only one thing left for us to say: form your own impression of how future-oriented Trei is today – not only from this report but also by getting in touch with us.

We hope you will find this an interesting and stimulating report!

Kind regards,

Pepijn Morshuis
CEO

Matthias Schultz
CFO

KEY FACTS

€ **1.2**
billion development pipeline

349
properties

€ **157**
million investment volume

Active worldwide in **6** countries

Leverage **31.5%** LTV

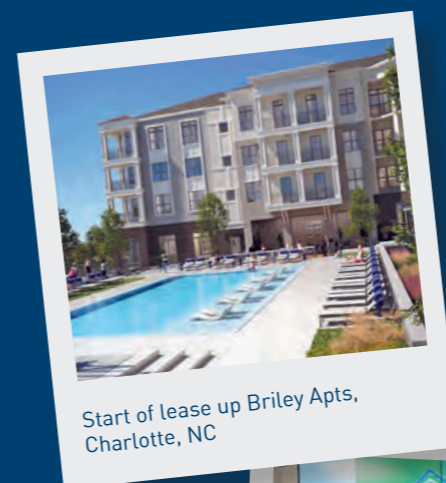
€ **71**
million rental revenue

€ **171** million in new credit facilities

€ **1.2** billion real estate portfolio
More than **150** employees

Approximately **4,000** residential units planned

HIGHLIGHTS



Start of lease up Briley Apts, Charlotte, NC



Completion and start of lease up Port-o-Prenz, Berlin



Completion of seven Vendo Parks and securing seven additional sites



Award for "Best Developer CEE"



Acquisition Hamburg, Bergedorfer Schloßstraße



Start of sale of condominium units in Wrocław and Łódź



Start of construction in Berlin, Charleston and Łódź



Successful closing of a cross-border-financing (Germany and Poland) of € 51 million



Securing of two further multifamily-projects in Charlotte and Nashville



Successful closing of two rent-based Corporate Financings for Poland and Portugal of € 82 million



COMPANY

The Tengelmann Group

12

Trei History

14

WE ARE PART OF THE TENGELMANN GROUP



The Tengelmann Group is one of the most important retail companies worldwide and has been 100% family-owned more than 150 years. In addition to its strategic holdings in retail and real estate, Tengelmann's portfolio also includes investments in more than 80 start-up companies.

In 2019, more than 90,000 employees generated consolidated net sales of € 8.1 billion.

In addition to Trei Real Estate, the Group includes KiK – a discount clothing retailer, OBI – a home improvement retailer, and babymarkt.de – an online retailer of baby products. The Group also includes two venture capital companies – Emil Capital Partners in the United States and Tengelmann Ventures in Germany, both of which have been investing in start-up companies for a number of years.

The Group's headquarters are located in Mülheim an der Ruhr, Germany; in addition, there are three satellite offices – two in Germany in Munich and Düsseldorf and one in the USA in Greenwich, CT.



Emil Capital Partners



”

Particularly in 2020, this extraordinary year, our real estate venture Trei has shown itself to be a source of strength and support for the entire Group. This is an area where we want to continue investing and growing.

Christian Haub,
Tengelmann CEO

KEY FACTS

€ **8.1** billion net sales worldwide

Currently managed by the **5th** generation

1 active entrepreneurial family equity investor

Family-run for more than **150** years
More than **90,000** employees

3 investment sectors:
Retail, Real Estate and Venture Capital

Active in more than **20** countries

TREI HISTORY: OUR DEVELOPMENT SINCE 2008



Sale of the portfolio in Romania and Bulgaria
2010



Opening of the first Vendo Park in the Czech Republic (Kyjov)
2012

Opening of the first Vendo Park in Poland (Nysa)
2013

Sale of the logistics portfolio
2015



Sale of the portfolio in Hungary
2017

Acquisition of the first residential project in the USA (Charlotte, NC)
2018



Relocation to a new office in the Airport City Düsseldorf
2020

Completion of the 31st Vendo Park in Poland (Władystawowo)
2020

2008

2020

2008

Formation of Trei with about 450 retail and logistics properties in seven countries

2012

Transfer of about 150 German **retail and logistics properties** to Trei

2012

Opening of the first Vendo Park in Slovakia (Bánovce nad Bebravou)

2014

Start of the residential real estate development with purchase of three sites in Berlin and one in Cologne

2016

Sale of the portfolio in Austria

2017

Completion of the first residential property with 153 student apartments in Cologne

2017

Opening of the office in the USA (Charlotte, NC)

2019

Acquisition of the first residential project in Poland (Wrocław)

2020

Start of Lease Up of first residential project "Briley" (Charlotte, NC)

2020

Completion of mixed-use "Port-o-Prenz" with 240 residential units and ground floor supermarket in Berlin





PORTFOLIO

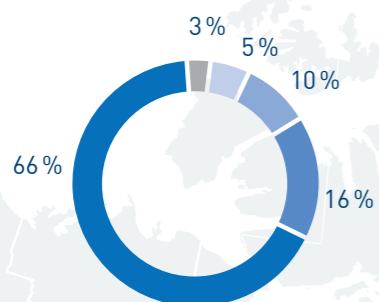
Portfolio strategy	18
Residential projects in Germany	20
Berlin Fürstenberger Straße	22
Berlin Port-o-Prenz	24
Hamburg Bergedorfer Schloßstraße	26
Residential projects in Poland	28
Wrocław Bacciarellego 54	30
Łódź Osiedle KRAFT	32
Residential projects in the USA	34
Charleston Atlantic Beach House	36
Charlotte Briley	38
Nashville Queens at Wedgewood-Houston	40
Vendo Parks in Poland, the Czech Republic and Slovakia	42
Retail portfolio in Europe	46

PORTFOLIO STRATEGY

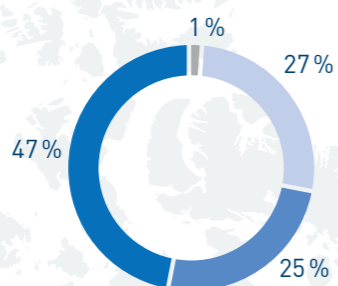
ASSET CLASSES

- Supermarkets
- Retail Parks
- Logistics
- Residential
- Other

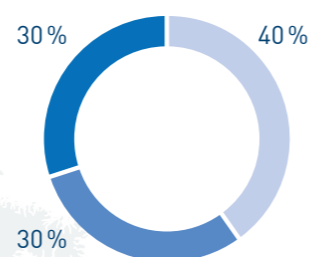
INITIAL PORTFOLIO



CURRENT

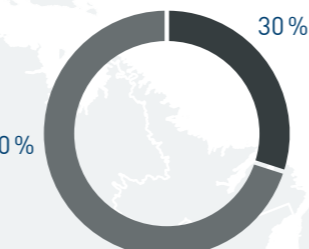
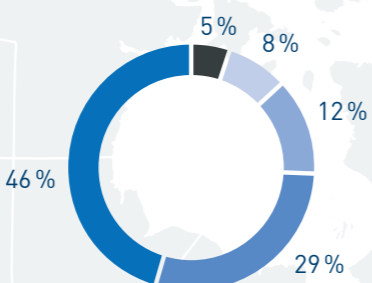
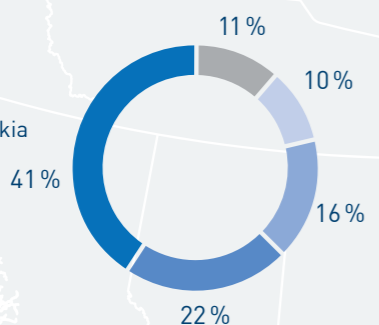


TARGET



COUNTRIES

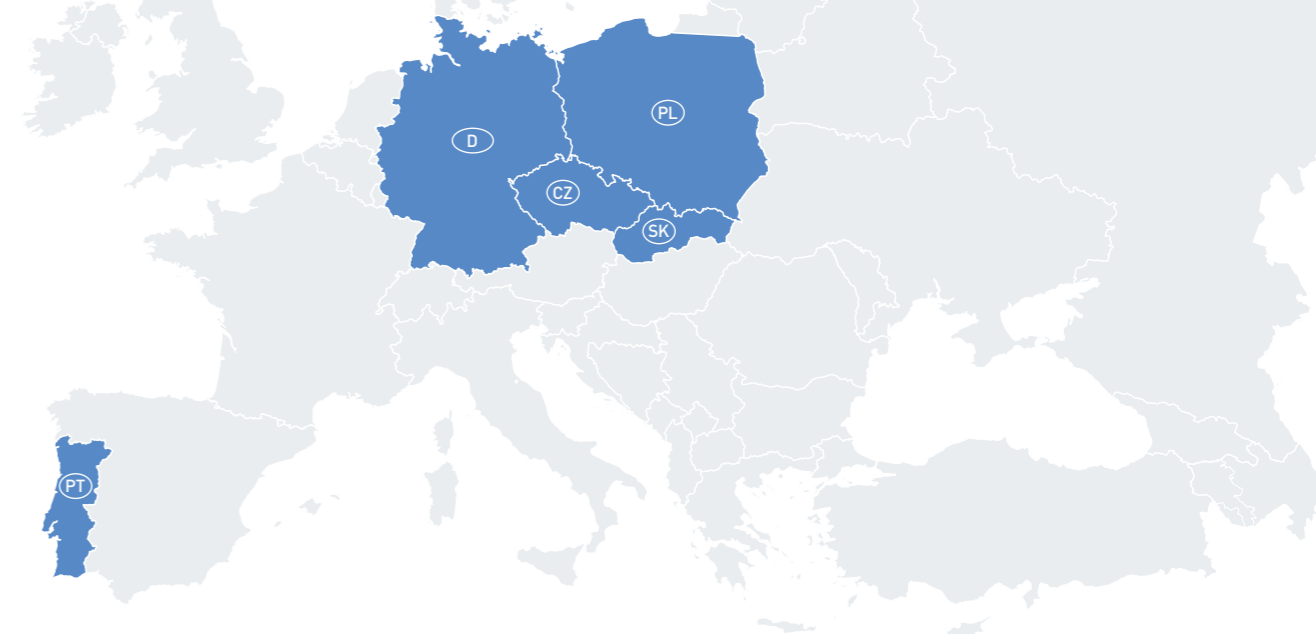
- Germany
- Poland
- Czech Republic/Slovakia
- Portugal
- Other
- Europe
- USA



At Trei, we develop and manage tailor-made properties in the residential and commercial sectors – with the aim of creating sustainable living spaces.

Our roots are in commercial real estate, but a differentiated and dynamic portfolio of residential and commercial real estate is our future. With a strong entrepreneurial approach, in-house project development and active asset management, we create added value and act independently using our know-how and strong capital base – over the development life cycle, from building permits to occupancy permits.

As a wholly owned subsidiary of the Tengelmann Group, our goal is to create a long-term, attractive, sustainable real estate portfolio that forms a stable pillar within the Group and provides dependable and sustained cash flow. As a result, we generally focus on long-term, attractive locations as well as on top international tenants for our retail projects.



RETAIL

Our retail portfolio, which we have been comprehensively fine-tuning since our formation, still includes 300 retail properties. Our largest tenants include renowned international retail brands such as Aldi, Lidl, Kaufland, Edeka, Rewe and Jerónimo Martins.

Going forward, our retail property development will consist mainly of retail centers under the Vendo Park brand in Poland, the Czech Republic and Slovakia. At the end of 2020, we held a total of 31 Vendo Parks, all developed in-house, including 21 in Poland. We are planning to open seven more retail centers in 2021.

Our goal is to build a portfolio of 50 Vendo Parks and in the next several years, to become the largest developer of retail centers in Central Eastern Europe – particularly in Poland, as well as the Czech Republic and Slovakia. A lot of potential still exists for this product, especially in small and medium-sized cities in Poland, and we believe it still has a long way to go.

RESIDENTIAL

In 2014 we started developing residential properties – initially in Germany, and later followed by projects in Poland, the Czech Republic and the USA. We are currently developing around 4,000 residential units in these countries.

Our residential properties in Germany, which we plan to hold on a long-term basis, are in absolutely prime locations, in attractive growth regions. In addition, we review our portfolio of retail properties for the potential of adding density to these sites by converting them to mixed-use residential developments. In Poland, we are supplementing our strategy of developing condominiums in attractive locations with the sale of entire multifamily projects to institutional investors. In the USA, we started partnering with local, experienced developers in 2018 to build multifamily projects in the growing metro regions in the Southeast such as Charlotte, Atlanta, Raleigh-Durham and Nashville. These multifamily communities have a wide range of amenities for tenants such as swimming pools, fitness centers and indoor and outdoor community areas which is typical for the US market.

OUR RESIDENTIAL PROJECTS IN

GERMANY



URBAN LIVING IN THE BEST LOCATIONS

We have a total of 11 multifamily properties in Germany which are characterized by their desirable locations in the country’s top regions. In these locations, we are developing a total of about 1,650 residential units in order to create attractive living spaces and build a sustainable portfolio. These projects are being developed by us in-house and we intend to hold them mainly in our long-term portfolio.

Our development pipeline has a volume of about € 700 million. In Spring 2020, we secured another site in Hamburg. This acquisition of land in Hamburg means we now have projects in all our target regions in Germany.

In Berlin, we have four multifamily projects, three of which are far along, allowing us to point to the successful achievement of several development milestones: in December, our “Port-o-Prenz” project – located in a lively neighborhood called Prenzlauer Berg on a street called Pappelallee, saw its first move-ins. On a nearby street – Winsstraße – we are constructing a mixed-use project with ground floor retail which has been underway since 2019. And a third, more recent project located on Fürstenberger Straße started construction last year in 2020.

In the city of Mainz, our project in Zollhafen – the old customs port – progressed to the next phase in Spring when an architect was selected; shortly before year-end, we were able to submit our application for the building permit for this project.

i All information about our residential properties in Germany can be found at www.trei-living.com/projects/germany/

_PROJECTS

- completed
- under construction/development

11

PROJECTS

700

€ MILLION PIPELINE VOLUME

1,650

APARTMENTS (APPROX.)



RESIDENTIAL PROJECT BERLIN

Fürstenberger Straße 8

RESIDENTIAL AREA

about 7,360 sqm

COMMERCIAL AREA

about 1,830 sqm

SUPERMARKET (TENANT)

EDEKA

NUMBER OF APARTMENTS

117 (1 – 3 bedrooms)

TOTAL PROJECT COST

€ 47 million

START OF CONSTRUCTION

June 2020

EXPECTED COMPLETION

Q3 2022

ARCHITECT

STEPHAN HÖHNE
Gesellschaft von Archi-
tekten mbH, Berlin

GENERAL CONTRACTOR

Dreßler Bau GmbH

PROJECT COORDINATOR

WITTE Projekt-
management GmbH

In the center of Berlin Mitte, very close to the popular Arkona-Platz, we are constructing a new mixed-use building, combining a ground-floor supermarket with six floors of rental units, replacing a former single-story supermarket on this site.

The complex is made up of a total of 117 studio to three bedroom apartments with underground parking for 25 cars. The supermarket will be leased to Edeka upon completion.

The surrounding parks and green spaces, including the popular Mauerpark and Humboldthain, offer future residents numerous opportunities to relax and unwind.

www.trei-living.com/projects/berlin-fuerstenberger-strasse/



RESIDENTIAL PROJECT BERLIN

Port-o-Prenz

RESIDENTIAL AREA

about 17,330 sqm

COMMERCIAL AREA

about 2,600 sqm

SUPERMARKET (TENANT)

REWE

NUMBER OF APARTMENTS

240 (1–4 bedrooms)

TOTAL PROJECT COST

€ 83 million

START OF CONSTRUCTION

July 2018

START OF LEASE UP

September 2020

COMPLETION

December 2020

ARCHITECT

J. Mayer. H und Partner,
Architekten mbB, Berlin

GENERAL CONTRACTOR

S. Pöttinger GmbH
& Co. KG Bauunter-
nehmung, Ottobrunn

PROJECT COORDINATOR

WITTE Projekt-
management GmbH

PAPPELALLEE 45–53

In the middle of Berlin's trendy Prenzlauer Berg neighborhood in the Pankow district stands our "Port-o-Prenz" project on Berlin's Pappelallee – a modern mixed-use building, newly constructed on the site of a former grocery store which connects 240 rental apartments and a ground-floor grocery store by Rewe with the vision of what tenants want in Berlin – to live right in the middle of the hustle and bustle, but with a quiet green inner courtyard that invites relaxation.

The Port-o-Prenz project was designed as six buildings and executed with great attention to detail. Where straight lines dominate other buildings, Port-o-Prenz surprises with organic shapes. This fits in wonderfully with the old building charm of the neighborhood and creates a relaxed, friendly atmosphere in the quiet inner courtyard.

www.port-o-prenz.com

**port-o-
prenz**





RESIDENTIAL PROJECT HAMBURG

Bergedorfer Schloßstraße 10

RESIDENTIAL AREA

about 5,300 sqm

COMMERCIAL AREA

about 570 sqm

NUMBER OF APARTMENTS

about 75

TOTAL PROJECT COST

about € 33 million

START OF CONSTRUCTION

scheduled 2024

EXPECTED COMPLETION

2026

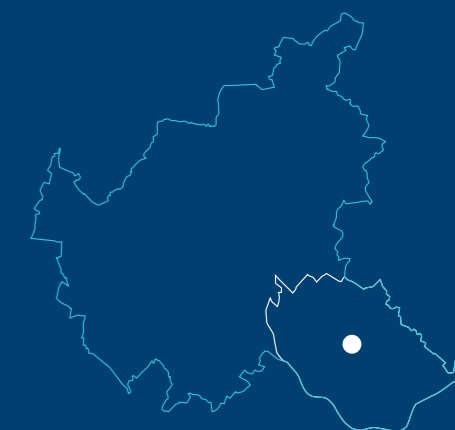


In the Hamburg district of Bergedorf, we are developing a mixed-use complex that will include around 75 apartments.

The site is located between the city's inviting pedestrian zone and the residential quarter of single-family homes and is also within walking distance of the Bergedorf Regional Train Station. Hamburg's city-center is only about 20 minutes from Bergedorf by public transport.

Future residents will have a direct view of the Bergedorf Castle and the adjacent castle garden. We want to take the popular residential area into account by developing an exciting residential property that blends harmoniously into the surrounding neighborhood.

www.trei-living.com/projects/hamburg-bergedorfer-schlossstrasse/



OUR RESIDENTIAL PROJECTS IN

POLAND



RESIDENTIAL MARKET ON THE MOVE

In Poland, where two of our four residential projects are already under construction, demand for modern, contemporary residential units – both condominiums and rental apartments – is still very high.

Our primary focus in Poland remains condominium development; however, we also place a high strategic value on the multifamily market and believe it holds a lot of potential, as it is still quite manageable today but is developing rapidly. To expand the supply of residential units to meet demand, we are developing a total of about 1,350 units in Poland, making use of our internal know-how.

In order to best utilize the limited buildable space in urban locations, we are focusing on increasing density for sites in Warszawa and Poznań. We are transforming these sites which were previously used for single-story retail by constructing residential mixed-use buildings – either as condominium or for-lease, as appropriate for each market. We expect to receive a building permit for both projects this year.

In our condominium project in Wrocław, construction on the first units was completed in Spring 2020, at which time we began both the pre-sale and construction of condominiums in Łódź.

i All information about our residential properties in Poland can be found at www.trei-living.com/projects/poland/

_PROJECTS

- completed
- under construction/development

4
PROJECTS

125
€ MILLION PIPELINE VOLUME

1,350
APARTMENTS (APPROX.)



BACCIARELLEGO 54

“Bacciarlego 54” is a top address in Wrocław and is in the middle of parks and other green spaces on “The Big Island”. We are developing and building a total of 281 condominiums and underground parking spaces in a phased project.

The property is located in the immediate vicinity of the Oder River and Szczytnicki Park. The site retains a large green space for playgrounds and recreation since only about 30 percent of the four-hectare (about ten acres) property will be used for construction.

There is a bus stop as well as tram stops in the immediate vicinity. The city center can be reached by car in just 15 minutes.

www.b54.pl



CONDOMINIUMS WROCLAW

Bacciarlego 54

PHASE I

62 apartments

PHASE II

219 apartments

RESIDENTIAL AREA

about 18,700 sqm

NUMBER OF APARTMENTS

281

TOTAL PROJECT COST

€ 38 million

START OF CONSTRUCTION

February 2019

START OF UNIT SALES

July 2019

EXPECTED COMPLETION

2023

ARCHITECT

Major Architekci Sp. z o.o.

CONTRACTOR (PHASE I)

P.B. Alfa-Dach Sp. z o.o.

CONTRACTOR (PHASE II)

AWM Budownictwo S.A.



CONDOMINIUMS ŁÓDŹ

Osiedle KRAFT

PHASE A/B

192 apartments

PHASE C/D

358 apartments

RESIDENTIAL AREA

28,000 sqm

NUMBER OF APARTMENTS

550

TOTAL PROJECT COST

€ 38 million

START OF UNIT SALES

March 2020

START OF CONSTRUCTION

September 2020

EXPECTED COMPLETION

2023

ARCHITECT

Neoprojekt Wojciech
Netzel

GENERAL CONTRACTOR

Spec Bau Polska Sp. z o. o.



TRAKTOROWA 50

In Łódź we are developing an approximately 550-unit family-friendly condominium project called "KRAFT"; the project will be completed in several phases.

The spacious green areas around the building offer a place to play and relax. Parking is available in the underground parking structure.

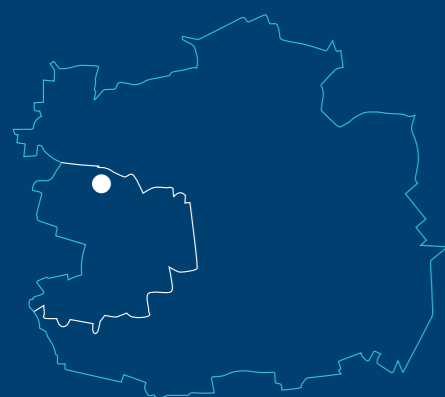
The project is located in a quiet but central part of the Polesie district. Shops, schools, parks, sports facilities and much more are nearby. In addition, the city center can be reached quickly and easily by bus and there is a stop nearby.

www.osiedlekraft.pl



OSIEDLE

KRAFT



OUR RESIDENTIAL PROJECTS IN THE

USA



STABILITY DURING PANDEMIC

In the USA we are currently planning, developing and constructing 5 projects with about 1,400 multifamily units. Our strategy for the USA is to form joint venture relationships with experienced local partners and concentrate primarily on the growth states in the Southeast – in the urban centers in North Carolina, South Carolina, Georgia and Tennessee.

Our residential projects in the USA focus on the multifamily apartment concept, which is characterized by the large selection of amenities that the residents enjoy, such as resort-style pools, spa areas, fitness rooms, community spaces, including grills which are available for tenants to use.

In 2020, we successfully started lease-up of the first units at the “Briley” – a multifamily project in Charlotte. Concurrently, our project located a little further to the southeast in the Mt. Pleasant section of Charleston was also under construction. Before year-end, we were able to secure two additional projects in the USA: one project is located in Nashville – an attractive growth market – where we are currently in the planning phase for a multifamily project. The other project is a land contract in Charlotte, where we are planning to construct our second project in that city.

i All information about our residential properties in the USA can be found at www.trei-living.com/projects/usa/

_PROJECTS

- completed
- under construction/development

5
PROJECTS

320
€ MILLION PIPELINE VOLUME

1,400
APARTMENTS (APPROX.)



RESIDENTIAL PROJECT CHARLESTON

Atlantic Beach House

_HIGHLIGHTS

Unobstructed view of marshland, gym, swimming pool, dog spa, walking trails, parklands and lounge areas

MOUNT PLEASANT, 1001 BOOPA LANE



In Charleston, South Carolina, we are building a total of 224 rental apartments in three four-story buildings, not far from the Atlantic Ocean with our partner Middle Street Partners. The “Atlantic Beach House” project has studio to three-bedroom units and a total residential living area of around 19,300 sqm.

The future residents of Atlantic Beach House will enjoy a saltwater swimming pool, a dog spa, a dog park, hiking trails and a fitness center. A special highlight is the unobstructed view of the adjacent marsh and the short distance to the ocean, which is easily accessible by bike. Spacious green areas between the buildings have been designed with a park setting in mind. Many of the original old oak trees have been preserved.

Downtown Charleston is only about 10 minutes away by car.

www.trei-living.com/projects/charleston-atlantic-beach-house/



RESIDENTIAL AREA

about 19,300 sqm

NUMBER OF APARTMENTS

224 (1–3 bedrooms)

TOTAL PROJECT COST

€ 53 million

START OF CONSTRUCTION

January 2020

EXPECTED COMPLETION

2022

ARCHITECT

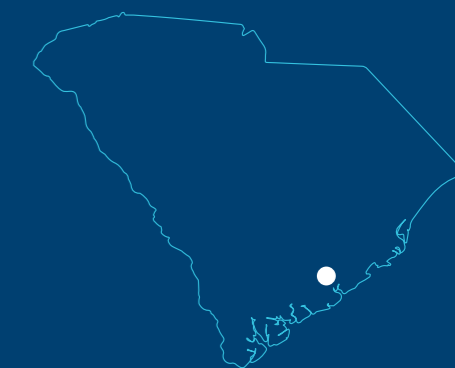
Humphreys & Partners Architects

CONTRACTOR

Live Oak Contracting

JOINT VENTURE PARTNER

Middle Street Partners



RESIDENTIAL PROJECT CHARLOTTE

Briley

_HIGHLIGHTS

Gym, yoga room, indoor swimming pool, barbecue area, fire pit, dog spa, lounge areas and an adjacent sports complex

RESIDENTIAL AREA
about 32,700 sqm

NUMBER OF APARTMENTS
359 (1–3 bedrooms)

TOTAL PROJECT COST
€ 60 million

START OF CONSTRUCTION
December 2018

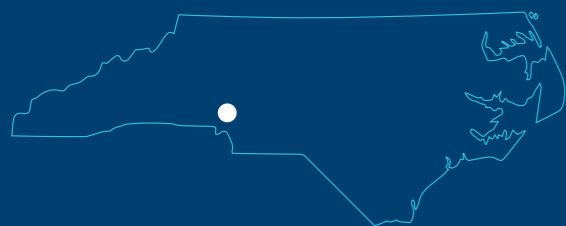
START OF LEASE UP
July 2020

EXPECTED COMPLETION
2021

ARCHITECT
Housing Studio

CONTRACTOR
Carocon Corporation

JOINT VENTURE PARTNER
Proffitt Dixon Partners



Charlotte | NORTH CAROLINA



MATTHEWS, 10731 SURREY GREEN LANE



“Briley” is our first multifamily project in the USA and is being built in Matthews, North Carolina, a suburb of Charlotte with our partner Proffitt Dixon Partners. Briley includes a total of 359 rental apartments, spread over six four-story buildings.

This is a “garden style” residential project with attractive green areas. Residents will also enjoy a fitness studio, co-working spaces, a resort-style pool, dog spa, a fenced dog play and exercise area and a charging stations for electric cars.

Matthews is part of the Charlotte-Concord-Gastonia metropolitan area and is around 15 minutes' drive from downtown Charlotte.

www.brileyapts.com





RESIDENTIAL PROJECT NASHVILLE

Queens at Wedgewood-Houston

HIGHLIGHTS

Restaurant, club room, lounge, saltwater pool, courtyard, fitness center, roof terrace

NASHVILLE, 625 HAMILTON AVENUE



In Nashville, the capital of Tennessee and an attractive growth market, we are partnering again with Proffitt Dixon Partners and planning a multifamily project called “Queens at Wedgewood-Houston”. The project will have a total of 220 residential units divided between several three- and four-story structures.

The Wedgewood-Houston neighborhood is a popular destination in the “Music City”, especially for the young and creative scene. Old warehouse and industrial buildings in the city are increasingly being converted into modern, urban residential and commercial buildings.

On-site amenities include a club room and lounge, salt-water swimming pool, fitness center and rooftop terrace and there will be a restaurant on the ground floor.

Downtown Nashville and its famed Broadway district are just a few minutes’ drive and can also be reached by bike or scooter.

RESIDENTIAL AREA

about 16,100 sqm

NUMBER OF APARTMENTS

220

TOTAL PROJECT COST

€ 53 million

START OF CONSTRUCTION

2021

EXPECTED COMPLETION

2023

JOINT VENTURE PARTNER

Proffitt Dixon Partners



OUR VENDO PARKS IN

POLAND, THE CZECH REPUBLIC AND SLOVAKIA



CONVENIENT SHOPPING FOR EVERYONE

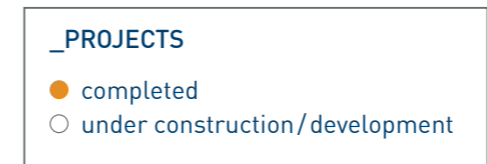
We have been developing, building and leasing neighborhood retail centers in Poland, the Czech Republic and Slovakia under the Vendo Park brand since 2012. In total, we currently have a portfolio of 31 fully leased Vendo Parks, 21 of which are located in Poland.

Our Vendo Parks, which are developed and leased up in-house, meet today's consumer need for convenient and quick shopping – supplying essential goods to local residents, particularly in smaller cities – this is how they keep up with the competition from online shopping. Our retail tenants benefit in turn from an efficient cost structure.

In 2021 we are planning to open seven more Vendo Parks, including in Zielonka, Piekary Śląskie, Koszalin, Myślibórz and Oświęcim.

Our long-term goal has been to have built a total of at least 50 properties under the Vendo Park brand by 2023 to hold in our portfolio, and to this end, we have already secured the remaining 19 sites. In addition, we are planning the development of further Vendo Parks for external partners and institutional investors.

i All information about our Vendo Parks can be found at www.vendo-park.com



50

PROJECTS

400

€ MILLION PIPELINE VOLUME

APPROXIMATELY
250,000

SQM GROSS LEASING AREA

VENDO PARKS OPENED IN 2020



Jawor, PL

OPENING DATE 27-Feb-2020	TOTAL PROJECT COST € 8.7 million
LEASABLE AREA 7,000 sqm	TENANTS Biedronka, Takko, KiK, Empik, Hebe, Martes Sport, Sinsay, PEPCO, Media Expert, Niebieszczanscy, Cukiernia Furtak
NO. OF PARKING SPACES 200	



Płock, PL

OPENING DATE 04-Jun-2020	TOTAL PROJECT COST € 6.7 million
LEASABLE AREA 4,200 sqm	TENANTS TEDi, PEPCO, Lidl, KiK
NO. OF PARKING SPACES 116	



Władysławowo, PL

OPENING DATE 15-Dec-2020	TOTAL PROJECT COST € 7.3 million
LEASABLE AREA 5,700 sqm	TENANTS PEPCO, Rossmann, KiK, TEDI, Martes Sport, Media Expert, Netto
NO. OF PARKING SPACES 194	



Łuków, PL

OPENING DATE 17-Dec-2020	TOTAL PROJECT COST € 8.9 million
LEASABLE AREA 6,800 sqm	TENANTS Biedronka, Rossmann, TEDI, Martes Sport, CCC, Sinsay, KiK, PEPCO, Media Expert
NO. OF PARKING SPACES 171	



Solec Kujawski, PL

OPENING DATE 20-Aug-2020	TOTAL PROJECT COST € 3.8 million
LEASABLE AREA 3,100 sqm	TENANTS Cukiernia Grochola, RTV Euro AGD, Sinsay, KiK, Hebe, Martes Sport
NO. OF PARKING SPACES 97	



Częstochowa, PL

OPENING DATE 30-Sep-2020	TOTAL PROJECT COST € 11.9 million
LEASABLE AREA 8,500 sqm	TENANTS Maxi Zoo, Dealz, TEDI, JBB Bałdyga, Lidl, PEPCO, Rossmann, NEONET, KiK, Michaś Bakery, Sinsay, Martes Sport, Smyk
NO. OF PARKING SPACES 160	



Mnichovo Hradiště, CZ

OPENING DATE 28-May-2020	TOTAL PROJECT COST € 3.8 million
LEASABLE AREA 3,300 sqm	TENANTS Penny, Planeo, dm, Super Zoo, PEPCO
NO. OF PARKING SPACES 119	



RETAIL PORTFOLIO IN

EUROPE



GROCERY RETAIL: STABLE GROWTH EVEN IN TIMES OF CRISIS

Our extensive retail portfolio is largely made up of sites and properties that Tengelmann had either developed or purchased for its brick-and-mortar grocery retail business.

When Tengelmann decided to sell its grocery retail operations, which took place in two phases – “Plus” in 2008 and “Kaisers-Tengelmann” in 2017 – the shareholders decided to retain ownership of the most appealing and future-proof properties and to transfer them along with other retail properties to a newly established subsidiary – Trei Real Estate. Since then, these retail properties and their corresponding asset and property management have been an important and established part of our core business – they are part of our “DNA”. Over the years, we have adjusted the original holdings and believe the current properties represent a valuable and sustainable portfolio for the long-term. The crisis resulting from COVID-19 has uniquely demonstrated the value of our core investments in grocery retail properties.

We currently lease 269 properties in Portugal, Germany, the Czech Republic and Poland to well-known retail brands such as Aldi, Lidl, Edeka, Rewe, Kaufland, Penny, Netto, Billa and Biedronka.

269

PROPERTIES

55.5

€ MILLION RENTAL REVENUE

APPROXIMATELY

411,000

SQM GROSS LEASING AREA

KEY RETAIL TENANTS



Aldi, DE



Biedronka, PL



Edeka, DE



Rewe, DE



Lidl, PL



Penny, CZ



Kaufland, DE



Netto, DE



Pingo Doce, PT



Billa, CZ



TEAM

Who we are	52
What defines us	53
From Mülheim to Düsseldorf	54
Conversation with Former COO	56
Spotlight on employees	58

WHO WE ARE



156

employees

Our team is made up of more than 150 employees from many different disciplines. 19 of them have already been part of our “Trei family” for 10 years!

More than **15** years industry experience

On average, our international management team can draw on more than 15 years of experience in the real estate industry.

The proportion of women in our workforce is

61.5%

Gender diversity is not theoretical for us, it has long been our lived practice – the proportion of women in our team is 61.5%! Because we recognized long ago that diverse teams are the most successful.

13 different nationalities

The international makeup of our team ensures a high degree of cultural competence.

With an **average age** of **41**, our team is young but still experienced!

WHAT DEFINES US

What we stand for

Our corporate values shape our culture and how we work together – and define who we are. They guide us in our daily actions, in decision-making and in our behavior.

As a company we are very diverse: we come from different countries and cultures, have had different experiences and are active in different markets. That is why clear values that are shared, understood and lived by everyone at Trei are essential for our company’s success:

FAIR

We work on a level playing field with our partners. Open and fair cooperation is essential.

RELIABLE

We are true to our word. This creates trust and long-term relationships.

MODERN

Agile thinking and short decision-making paths enable us to act dynamically in the market.

ENTREPRENEURIAL

We think and act entrepreneurially. We prefer long-term value-creation to short-term returns. We always act in the best interest of the company and its stakeholders.

What we do

At Trei, we always center our actions around the human element so that we can optimize the implementation of the business elements.

As real estate developers and property managers, we always strive to understand people – our customers, their customers, our partners and our employees – and to recognize their needs.

Based on this understanding, we create living spaces that fit seamlessly and precisely into different environments in order to enrich and enliven each with its unique quality of life. By doing this we can create “win-win situations” for everyone involved and operate successfully together in the long term.

In this way, each thought, action and plan results from our capacity for self-confident, success-oriented empathy. We attach great importance to conscious listening and open and fair communication with everyone involved. This allows us to anticipate both needs and wants and sense previously undiscovered potential – in continual realignment to our own interests and constructive goals.

Our values and our self-perception form the basis of the commitments we make to our customers, partners and employees – and set the direction for what we do:

WE CREATE LIVING SPACES.

RELOCATION OF OUR HEADQUARTERS

From Mülheim ...



More than 100 years ago, the Tengelmann Group settled at Wissollstrasse 5-43 in Mülheim Speldorf – the campus which was established there was also home to Trei beginning with its formation in 2008. This period represents an era that will remain an important and essential chapter in the history of our company.



... to Düsseldorf



After 12 years, however, we officially relocated the Trei headquarters to Düsseldorf and since then have called Klaus-Bungert-Strasse 5b in Airport City our new home, where – as soon as it is safe – it would be our pleasure to welcome you in person for a conversation in our all new and very modern office space!



CONVERSATION WITH FORMER COO

After 38 years with the Tengelmann Group, including 7 as the COO of Trei Real Estate, Dirk Braunschweig began his well-deserved retirement in February 2019. He remembers fondly how it all began and gives a few personal insights into the early days of the company and its development.



”

I'm sure that Trei is well positioned for the future.

*Dirk Braunschweig,
Former COO Trei Real Estate*

Dirk, tell us: how did everything get started at Trei back then?

First, I have to go back a little: real estate has always had a special meaning at Tengelmann, a company that mainly operated brick and mortar retail - after all, this business model survives on the quality of its locations. The various Tengelmann businesses often developed the best locations themselves or purchased and held onto them. In this way, an extensive portfolio of retail properties was developed over the years.

When Tengelmann sold the discount grocery retailer “Plus” in 2008, the shareholders decided to keep the real estate from the most promising Plus locations - especially in the emerging economies in Central Europe - in the group and transfer them to a new Tengelmann entity. That was the moment of birth for Trei Real Estate. In 2012, the other real estate investments of the group - at that time, mostly privately owned by the shareholders - were transferred to Trei. In effect, that was Trei's starting portfolio.

At that time, what was the plan for the future of Trei and how much of that has been achieved?

The first step in the plan at that time was to clean up the real estate portfolio that had existed through the sale of the Plus grocery stores and to transform it into a risk-balanced and diversified portfolio and to reduce the risk of concentration in the grocery retail sector.

In addition, the Vendo Parks concept - a retail center concept for Central European countries - was developed and rolled out. Today, Trei is the market leader in this segment in Poland, the Czech Republic and Slovakia with 31 Vendo parks, seven of which were opened in 2020, and an additional 19 sites which have been secured. The next step was to enter the residential asset class by securing various properties, initially in Germany, later in Poland and the Czech Republic.

In addition, it was necessary to develop Trei organizationally, from a static administrative organization into a modern, dynamic asset management organization, while also creating a professional project development and construction management team. And - last but not least - Trei needed to position itself independently in the market.

What is your proudest milestone in the history of Trei?

Another goal was to enter the US market: Trei has been developing multifamily properties there since 2018 in collaboration with joint venture partners. All of this has now been successfully implemented - now there are new goals and challenges that lie ahead for Trei.

Oh, there were so many milestones that make me proud that I cannot even list them all here. For me personally, the opening of our first residential property, our student housing project under our own brand “Quartillion” in Cologne, was the most defining moment. We developed this concept completely on our own and it turned to be an extremely attractive project; since completion, it has had almost no vacancy and has also generated a respectable return. And it was the steppingstone into our second core business, “Residential”.

In your own words, how would you describe Trei today?

From my point of view, Trei is now a very dynamic, professional company with a modern structure - well managed, innovative and open-minded. For example, it pursues new paths, such as cooperating with third-party organizations, while remaining focused on its employees and business partners which makes it a very thoughtful company. And importantly, it is a member of the financially-sound and family-owned Tengelmann Group.

Upon your departure, did you leave your colleagues Pepijn and Matthias with any words of advice? If so, what did you say to them?

(laughing) I think I gave my colleagues more advice than they probably wanted to hear. But after such a long time in professional life, you sometimes think that it could not possibly work without you ... But seriously: I gave them the following recommendations, which were not new, but which are timeless:

1. Always listen to what the market is telling you
2. Follow your strategy consistently and stay innovative
3. Remain employee-oriented - they are our most important asset

At Trei, I never ran into a closed door when working with my former colleagues, so I am sure that Trei is well positioned for the future.

SPOTLIGHT ON EMPLOYEES

“You never stop learning” – there is a lot of truth in this sentence, which is why we offer our employees the opportunity to further their education in various ways. Regardless of whether it is a workshop, seminar or an evening course: There are numerous opportunities to continue learning after completing your education while also working full-time.

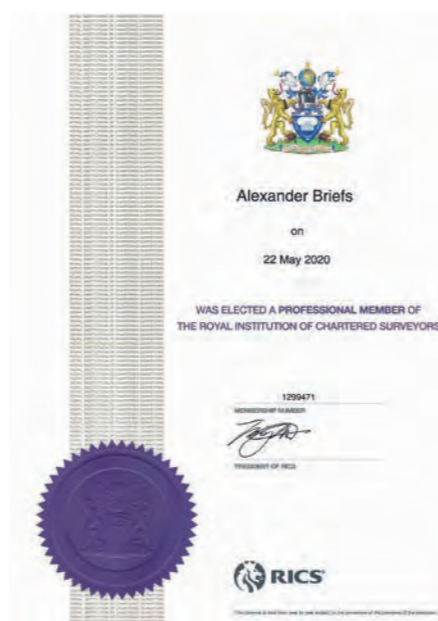
Continuing education is a tangible and long-term benefit, not only for our employees but also for Trei: we want to promote the strengths and talents of our employees so that they can make the best possible use of their potential, which also supports the interests of the company. In addition, we would like to fill vacant positions primarily by promoting existing staff and therefore develop our employees – wherever possible – to become the managers of tomorrow.

Alexander Briefs, Head of Transactions at Trei, is one of 19 employees who has already taken advantage of our continuing education program.

As part of his one-year training course, Alexander became an “MRICS” (Professional Member of the Royal Institution of Chartered Surveyors) which among other things, included a total of 48 hours of formal training as well as one seminar. At the end of the course, there was the “notorious” Final Assessment, with which he successfully completed his training in May 2020. Since then, he has been able to officially use the additional title “MRICS” – a mark of accomplishment recognized worldwide in the real estate industry.

The acquisition of new knowledge and skills by our employees is the foundation for both their personal development as well as for that of our company. That is why we are committed to supporting the personal success of every employee through our continuing education program – from promoting their careers to continuous opportunities for further study.

At Trei, we offer the necessary opportunities and continuing education possibilities as well as a culture that values and promotes employee growth.



”

TREI NOT ONLY REIMBURSED A LARGE PART OF THE COST OF THE COURSE I TOOK TO BECOME AN MRICS BUT ALSO PROVIDED FLEXIBILITY IN TERMS OF TIME, WHICH WAS CERTAINLY AN ADDITIONAL INCENTIVE FOR ME TO DECIDE TO STUDY WHILE STILL WORKING FULL-TIME.

*Alexander Briefs,
Head of Transactions, Trei Real Estate*



KEY FINANCIAL DATA

TREI REAL ESTATE

Key Financial Data

For the year ended December 31, 2020

Number of projects

	2020	2019	Change
Germany	75	76	-1
Poland	148	141	+7
Czech Republic	67	68	-1
Slovakia	4	4	0
Portugal	50	50	0
USA	5	3	+2
	349	342	+7

Rental revenue

Euros in millions	2020	2019	Change
Germany	23.6	23.8	-0.2
Poland	24.9	22.7	+2.2
Czech Republic	12.3	12.9	-0.6
Slovakia	1.5	1.6	-0.1
Portugal	8.2	8.3	-0.1
USA	0.1	0.0	+0.1
	70.6	69.3	+1.3

Investments in real estate and development

Euros in millions	2020	2019	Change
Germany	54.2	51.2	+3.0
Poland	56.4	60.4	-4.0
Czech Republic	3.6	1.8	+1.8
USA	42.9	20.4	+22.5
	157.1	133.8	+23.3

Net debt

Euros in millions	2020	2019	Change
Cash and cash equivalents	124.3	113.9	+10.4
Total debt	-446.3	-345.3	-101.0
Net debt	-322.0	-231.4	-90.6
LTV (%)	31.5%	28.5%	+3.0%

ACKNOWLEDGEMENTS

EDITOR

Trei Real Estate GmbH
Klaus-Bungert-Str. 5b
40468 Düsseldorf
+49 211 54011000
info@treirealestate.com

SUBSIDIARIES

Trei Real Estate Poland sp. z o.o.
ul. Wspólna 47/49
00-684 Warszawa
+48 22 427 63 01
poland@treirealestate.com

Trei Real Estate Czech Republic s.r.o.
Rohanské nábřeží 670/17
186 00 Praha 8 – Karlín
+420 286 001 080
czechrepublic@treirealestate.com

Trei Real Estate USA Management LLC
1422 S. Tryon Street, 3rd Floor
Charlotte, NC 28203
+1 704 940 5592
usa@treirealestate.com

Trei Real Estate Portugal, Lda.
Rua Guilherme Gomes Fernandes n° 38
2900-395 Setúbal
+351 26 53 07 914
portugal@treirealestate.com

EDITORIAL STAFF

Denise Hudemann
Kathrin Mayr

ART DIRECTION

31M Agentur für Kommunikation GmbH
Walter-Sachsse-Weg 17
45133 Essen


FINANCIAL STATEMENTS

Inhouse produced with www.firesys.de

PRINT

Oing-Druck GmbH & Co. KG, Südlohn
www.oing.de

VISIT / FOLLOW US ON

www.treirealestate.com
www.trei-living.com
 linkedin.com/company/trei-real-estate-gmbh

TREI