Annual Report and Consolidated Financial Statements 2019

YEW GROVE
REIT PLC

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STRATEGIC REPORT

Chairman's Statement

Activity

2019 was another busy year for the Company. Having invested all of the equity capital raised at the Company's initial public offering in 2018, Yew Grove invested the proceeds of the debt facility raised from Allied Irish Banks, p.l.c. ("AIB") in the first half of the year in Waterford and Cork Airport Business Park and in the development of a car park in Athlone. In July we received approval from our shareholders for a 100 million share issuance programme. Just over 36.6 million shares have been issued under the programme and the proceeds invested in four buildings in Athlone and a portfolio of six buildings in Millennium Park in Naas soon after the year end.

The Company also began the process of selling the smaller non-core properties acquired from the Yew Tree Investment Fund on IPO. The first of those disposals realised a gain on book value and it is hoped that the remaining four properties will also sell well in the near future. Once again we reached the year end with the Company almost fully invested, the quality of tenant improved and the rent roll increased by over 41% year on year.

Our activity reflects the Company's continued commitment to building a portfolio of institutionally attractive commercial properties in Ireland, outside of Dublin's central business district ('CBD'). The addition of institutional quality buildings leased or attractive to predominantly government or foreign direct investment tenants is evidence of the Company's progress in generating a secure and growing rent roll, with reversionary potential to support a sustainable and growing dividend.

Not only did the Company expand its portfolio (almost doubling in size if one includes the Millennium portfolio on which we had exchanged contracts prior to year-end and completed post year-end) but we began a number of asset management projects which should bear fruit in 2020.

As flagged last year the Company declared its inaugural dividend in February 2019. A quarterly dividend was instituted, the final quarter's dividend being declared in 2020. The first three quarters' dividends totalled 5.71 cents per share and despite the dilution of the final quarter payment (because the 26.6 million shares issued in December qualified for the dividend and increased our shares in issue by over 31%) a dividend of 1.04 cents per share was declared, giving 6.75 cents per share for the year.

One of our key strategic focuses for 2020 is enacting our Environmental, Social and Governance ("ESG") policy and rolling out the strategy for achieving this throughout the business. There is more on our plans in our Engagement Report but I welcome this engagement as one of the key issues of our time and look forward to overseeing an active and productive year.

Board

During the year the Board devoted considerable time to the Company's post-flotation organisation, acquisitions and to our strategic plans for the development of the business. I would like to thank each member of the Board for their commitment during the year and I look forward to working with them for the benefit of the Company and its shareholders. The Board are responsible for creating and maintaining the Company's strong culture and collegiate values and ensuring these are understood and shared by all employees and with all of our business relationships.

BARRY O'DOWD
CHAIR

"Once again we reached the year end with the Company almost fully invested, the quality of tenant improved and the rent roll increased by over 41% year on year."

Management and employees

On behalf of the Board, I would like to thank the management team and employees of the Company for their continued hard work and energy over the past year. It has been a busy and demanding year and continues to be as the Company grows in 2020. Our success will be driven by the dedication and commitment of this team.

On behalf of the Board I would like to thank our shareholders who have continued to support the growth of our business.

Barry O'Dowd
Chair

23 April 2020

Chief Executive Officer's Statement

I am pleased to report the results for the Company for the year ended 31 December 2019.

We finished a busy 2019 by exchanging on a portfolio of six office buildings in the Millennium Park in Naas, Co. Kildare and following completion early this year are again close to fully invested. This purchase has taken our property portfolio from c.€116 million to c.€141 million in value with a rent roll of €10.6 million. The share issue in December 2019 took our issued shares to over €110 million and, depending on how the Covid-19 pandemic develops I am hopeful we will grow again in 2020.

Having instituted a quarterly dividend strategy in 2019 I look forward to the regularity of that dividend becoming an important constituent in the total equity return for shareholders.

Results

Pre-tax profits for the year were €5.06 million after accounting for a gain on sale of a property of €0.12 million and a revaluation loss of €0.77 million. The gains and losses are analysed further in the valuation section below, however the existing portfolio grew in value and the majority of the loss reflects the €2.8 million acquisition costs on properties bought during 2019. 98% of our European Public Real Estate ("EPRA") earnings of €5.7 million were distributed by way of dividend.

As a result of the financial performance and the costs of raising additional equity during the year, the EPRA Net Asset Value ("NAV") per share fell to 98.52 cents at 31 December 2019 from 100.76 cents (excluding declared but unpaid dividend) at 30 June 2019 and 100.18 cents at 31 December 2018. The Company's growth costs, including equity issuance costs of €1.0 million and the costs of buying new properties of €2.8 million contributed to this NAV per share fall. Underlying like for like property values increased by 5.3% over the period. I am confident that as our asset management activities begin to bear fruit in 2020 and beyond, we will see the value reflected in increased rental income.

The Company was a prudent and active user of its revolving finance facility with AIB during 2019. As the portfolio grew in size we increased the facility, enabling the Company to execute transactions as and when appropriate.

The contracted rent roll at 31 December 2019 was €8.9 million and following the completion of the Millennium portfolio has increased to €10.6 million. The gross yield at fair value (the return that the Company earns from its contracted rent at current valuation) was 7.7% at year end and following the purchase of the Millennium portfolio will fall to 7.5% at Millennium Park's June 2019 valuation. The Millennium portfolio purchase improves the Company's reversionary rent roll which will underpin future distributions to shareholders. The reversionary rent roll (which is achieved through letting vacancy, rent reviews and other events which allow for the properties to be let at what our third party valuer considers current market rent) was €10.1 million at 31 December 2019 and has increased to €12.8 million following the Millennium acquisition. This represents a gross reversionary yield of 8.7% at the year end and 9.1% following the Millennium portfolio acquisition.

Dividends

As set out in last year's annual report the Company instituted a quarterly dividend strategy in 2019. The dividends for the first three quarters of the year (including the special dividend paid in June to

JONATHAN LAREDO
CHIEF EXECUTIVE OFFICER

distribute the income element of the Cork Airport lease surrender premium) totalled 5.71 cents per share. The dividend for the final quarter was announced in February 2020 and brought the annual dividend per share to 6.75 cents, fully covered by EPRA earnings. Because the number of shares in issue increased from 85 million to 111.6 million in late December 2019, the per share value of that final dividend was necessarily diluted and would otherwise have exceeded 7 cents per share. However, I am pleased that the Company managed to meet expectations and paid a significant dividend secured on good quality covenants even in a year of rapid growth. The Company will continue to reward shareholders by distributing as much of a dividend as is sustainable and I look forward to another good year in this regard.

Review of activity

In 2019 the Company bought six buildings, in Waterford, Cork and Athlone, and sold one in Heather Road in Dublin. Just before year end we exchanged on a further six buildings on the Millennium Park in Naas.

In February, the Company acquired a building on the Cork Airport Business Park for €7.5 million (plus costs). In May, the Company acquired an office building on the Waterford IDA Park for €4 million (plus costs). In June we negotiated a reverse premium for the Cork property in return for allowing the tenant, Clearstream, to break their lease and vacate the building in July 2019.

Also in July, following the approval of a 100 million share issuance programme at the Company's EGM, we issued 10 million shares under the programme and together with debt from the AIB facility acquired three buildings on the Athlone IDA Technology Park for a combined price of €13 million plus costs.

In November the Company sold the first of the five buildings we had targeted for sale. These buildings are smaller, non-institutional properties some of which have exposure to retail. The first sale (of the property in Heather Road, Dublin) achieved a price of over 13% above the June 2019 valuation.

In December following an issue of 26.6 million further shares, the Company acquired the Teleflex office building on the Athlone IDA Technology Park for €12 million plus costs and exchanged contracts for the purchase of six office buildings on the Millennium Park in Naas for a purchase price of €25.3 million. The Millennium Park acquisition was completed in February 2020. The various costs referred to above are detailed in note 14 to the accounts.

At the year end the Company had an undrawn facility with AIB of €8.3 million, allowing it some leeway to continue to pursue and close transactions.

A major focus for the property market generally and for the Company in particular was the growing focus on sustainability, particularly through its measurement by way of ESG criteria. As a small company only recently floated on the public markets Yew Grove is not yet able to join the Global Real Estate Sustainability Benchmark and had not at our last year end published a policy and strategy for

Chief Executive Officer's Statement (continued)

sustainability. That has been rectified with our policy, strategy and initial targets all set out in the section on engagement in this Annual Report. Moreover, despite our size, we believe in engaging with local communities and our suppliers to further that strategy and our shared objectives and our activities in that regard are also set out in that engagement section. Finally, Yew Grove is an equal opportunity employer and as we grow, we continue to invest in our staff as well as our buildings and the communities in which we operate.

Post balance sheet events

On 23 January 2020 the Company appointed Liberum Capital Limited as joint corporate broker and Nominated Adviser, Goodbody Stockbrokers UC was appointed as Euronext Growth Adviser and continues as joint corporate broker.

On 31 January 2020 the Company increased its facility with AIB to €39 million by adding the buildings acquired in the second half of 2019 to the security package. Most of that increased facility was used to complete the purchase of a portfolio of properties at Millennium Park in Naas which completed on 6 February 2020. This acquisition of six buildings and a greenfield site on the Millennium Park estate for €25.3 million plus costs represented a yield of 5.8% after costs. The portfolio's six office properties have 140,000 sq. ft of lettable space and 773 car parking spaces. Five of the buildings are fully tenanted and one, a high quality HQ space, is vacant. The tenanted buildings have a weighted average unexpired lease term ("WAULT") to break of approximately 2.5 years with a lease to final maturity of approximately 5 years. The Millennium portfolio is under rented and together with vacant space will enable the Company to achieve a reversion in excess of 9%.

On 13 February 2020 the Company announced its interim dividend for Q4 2019. The dividend (1.04 cents per share) brought the full 2019 dividend to 6.75 cents per share.

On 3 March 2020 the Company further increased its facility with AIB by €10.1 million, providing the Company flexibility to acquire further properties.

"Lisney as the external valuer valued the Company's property portfolio at €115.79 million at 31 December 2019. "

The Company is considering its funding options for financing its pipeline of acquisition opportunities, which could include using its existing share issuance programme later this year, together with debt finance where appropriate.

Property Valuation

Lisney as the external valuer valued the Company's property portfolio at €115.79 million at 31 December 2019. There are three key aspects to this valuation. The like for like portfolio (in other words the properties owned throughout the year) grew in value by €4.1 million (+5.3%) after accounting for capital expenditure; the properties acquired in 2019 fell in value by €1.8 million (-4.8%) and the Company incurred acquisition costs of €2.8 million.

The change from 6% to 7.5% in stamp duty on sales of commercial property announced in the November budget effectively reduced the valuations of all properties by 1.65% and this explains much of the fall in value of properties acquired in 2019. The balance of that value fall is a temporary one. Having bought a building on the Cork Airport Business Park in February 2019, we agreed a lease surrender with the tenant and received a premium for that surrender. The year-end valuation of the now vacant property is some €1.3 million below our purchase cost (and even after accounting for €1 million surrender premium that was received in lieu of dilapidations) which created a fair value loss. We are actively marketing the building and once re-let, the value of the building will rise substantially.

A closer look at our like for like portfolio shows the best performing parts of our portfolio were our industrial buildings, which showed like for like growth of over 15% for the year. The growth of our like for like office portfolio was more muted at 4%, but some of this can be explained by the difficulty in sourcing sufficient ERV data in some of our regional locations to demonstrate to valuers that they should rerate valuations. As transactions occur we are confident that they will feed through and we will see increases but it does mean that the office portfolio is, in our view, currently valued conservatively.

As at 31 December 2019, the portfolio had a contracted rent roll of €8.9 million, representing a gross yield at fair value of 7.7%. The rent roll at the reversionary yield (assuming the vacancy in the portfolio has been let and the balance of the portfolio is let at the valuer's estimated rental values) would be €10.1 million representing a gross reversionary yield of 8.7%.

The portfolio has an unexpired lease term of 4.6 years to break and 8.1 years to final maturity. In our target geographic market vacancy rates are falling (and in many cases are at multi year lows). Moreover, the vacancy rates on buildings of the sort we own are lower than the average. In general, take up is rising, and the net effect is that rent levels are rising. This can be seen in Cork and Limerick and is, in our view, beginning to happen in Galway, where new construction has begun. The Company is therefore happy with a shorter WAULT to break as it allows the Company to capture reversion more quickly in this cycle.

Finance

The AIB facility at 31 December 2019 stood at €29 million with €8.3 million undrawn. Total debt to equity gearing and loan to value ("LTV") at 31 December 2019 were 18.9% and 18.0% respectively, having been 8.3% and 8.0% as at 31 December 2018. Details of the drawings on the facility can be seen at note 20 to the financial statements.

In January 2020 the facility was increased by €9.9 million before the acquisition of the Millennium portfolio, the majority of the increased facility has been drawn to complete the purchase. Following the Millennium portfolio purchase the facility was further increased by €10.1m.

Irish Commercial Real Estate Market

2019 was a record year for Irish commercial real estate with total transactions of €7.2 billion reported by CBRE. Part of the reason for this volume of overall market activity was the increase in private rented sector ("PRS") activity, but notwithstanding that, office transactions remained the largest sub sector of the market. The Irish market is becoming increasingly international with 2019 seeing a large increase in Asian investors, principally Korean, alongside European and US institutions. The prevailing mood at the larger real estate advisory firms is that the macroeconomic back drop for Irish property remains good, with continuing low interest rates driving demand for real estate as an asset class and Ireland's continued economic strength and the relative cheapness of its property market versus those in mainland Europe creating a positive sentiment from institutional investors that outweighs short term concerns. The Irish story, despite the relatively small size of the market and the relatively small lot sizes of individual transactions, has become increasingly attractive as the resilience and performance of its economy continues to impress. While the moves by the Irish Government last year to introduce higher stamp duty and amend some aspects of the tax treatment of REITs are unwelcome, particularly in the context of regional investment and development, we are encouraged by continued strong levels of investment activity.

From the Company's perspective the most positive changes in the landscape arose from two different directions: in the office space growing demand from occupiers meant vacancy rates, especially vacancy rates in larger floorplate modern and Grade A offices, fell to multi year lows. This is unsurprising given that the economy is largely driven by foreign direct investment ("FDI") and increasingly that investment results in business and jobs outside Dublin. This demand has driven prime rental growth to the point at which new development has begun in the three biggest regional cities, Cork, Limerick and Galway. That shift has not gone unnoticed in the investment market and

Chief Executive Officer's Statement (continued)

there has been increased interest in these markets from the international institutional community. It is only the beginnings of a shift in the market, but it provides a welcome change in temperature. As CBRE note the next stage of market development will need to see the local infrastructure for employees (apartments, better local transport links etc.) reflect the growth of occupier demand and developer supply. Outside of the regional cities new buildings are still only possible on a forward funded basis, but increasingly tenants require more space and more modern space. We see this as a major opportunity for the Company in the years ahead.

At the same time the maturation of the Dublin central business district ("CBD") market has led to a gradual expansion of the CBD into Dublin 1, 3, 7 and 8 and eastwards through Dublin 2 ("Core+"). The effect is that whilst rents in the traditional Dublin CBD have remained and are expected to remain relatively stable, there has been a marked shift in rents in what were traditionally seen as fringe or Core+ areas of the city. This is partly driven by the larger tech tenants looking for space in what have heretofore been fringe areas (and in particular Dublin 8 has seen the benefits of this growth), but also as the Government is priced out of the city centre or needs to improve the quality of its estate at prices it can meet, it too is looking outside of its traditional locations. The demand led shifts are driving a rapid rental growth in these areas and that is also slowly spilling over into the suburbs. The Company has c.42% of its portfolio in Core+ and suburban locations and this should help to increase ERVs in and provide a welcome tailwind to the value of those properties.

The industrial market continues to reflect an imbalanced supply and demand market for high quality, larger buildings. Rents in the Dublin catchment area are now above the level at which speculative development is justified and increasingly buildings are going up, not to fill a specific demand but speculatively. The same thing has also happened on a more limited scale in Cork and again the buildings have been occupied almost at completion. The demand has also fed through into older, larger buildings that can be easily repurposed for modern use with scope to rebuild at the end of their useful lives. The investment market continues to be thin as little trading activity is evidenced but because Irish investment properties trade at a discount to comparable mainland European properties they are still popular with institutional investors.

ESG

In the Irish real estate market sustainability is the watchword for 2020. ESG investing has caught the imagination of the institutional investment market and its application to the property world is inescapable. The introduction in Europe of the NZEB (Near Zero Energy Building) regulation in November cemented the importance of the topic for those businesses that had previously not considered their carbon footprint to be of prime importance in assessing environmental building quality. For the Company the point is especially important. Our tenant roster is fundamentally made up of governmental bodies and large corporates, the very tenants that are expected to comply with (and largely want to live by) the newer, more environmentally responsible standards. Our property portfolio is also, because of the lack of development in the regions and suburbs, comprised of older buildings which are not as energy efficient or as environmentally friendly as is now required for new buildings under law. To that end we have instituted an ESG policy and strategy that puts the improvement of our estate, the fair treatment and development of our employees and suppliers and a positive interaction with the communities in which we invest, at the centre of our business. We are a small, young company, but I expect this policy and strategy to develop and grow with us over the next few years and I look forward to reflecting on a positive change over the next 12 months and beyond.

Outlook

The outlook for the world economy has been severely impacted by the Covid-19 pandemic that spread to Europe in February 2020. Government actions to contain the spread of infection has meant much commercial activity has halted, with large scale societal quarantines across many of the world's developed countries. This has put huge pressure on businesses, especially those most directly impacted (for example: leisure, hospitality, travel, tourism and non-food retail) and placed a premium on liquidity and balance sheet strength with smaller and less

"It is still too early to say what the longer term effects of the pandemic will be, with commentators divided on analysis and potential outturns. "

well capitalized businesses suffering more quickly. The capital markets reacted with large scale falls in value across the world's stock indices and the various Government actions and public reactions hit corporate revenues.

The effect on Yew Grove is that our access to the equity markets is constrained by investors current limited appetite for new risk and by a share price that makes issuance unappealing at present. The public equity markets are unlikely to reopen until the second half of this year at the very earliest and perhaps only next year. The Irish Commercial Real Estate market has also effectively shut down for new transactions as the difficulty of sourcing capital, the practical difficulty of inspecting buildings and the market uncertainty stopped investment. That is likely to ease as the country begins to return to some level of normality. Whilst the Irish economy has been and will continue to be affected by the crisis it has some structural advantages that will stand it in good stead if this crisis does not become a long term economic recession. The country is relatively lightly exposed to the sectors most at risk and its economic drivers are large, multi-national businesses, many of whom are in sectors that are less affected by the business problems associated with Covid-19.

Yew Grove is well positioned from a credit perspective. We have a very high quality tenant base, with exposure to SMEs and non-food retail being less than 5% of our rent roll at the time of writing. The portfolio also has significant reversionary potential. However, while it is unlikely that the pandemic will affect our ability to capture that reversionary value it is likely to affect the timing. For example, with numbers of employees working from home, the pressure to occupy new offices has lessened, that together with the logistic slowdown caused by professionals working remotely, and issues such as council offices being shut making planning searches more difficult, means vacancy periods are likely to be longer than expected.

It is still too early to say what the longer term effects of the pandemic will be, with commentators divided on analysis and potential outturns. However, we will focus on good stewardship in the short term and provided the return to normality occurs we will revert to our original business plan. It is important to the Company and its shareholders that we grow our equity base. We have strong operational leverage and as we grow should generate higher returns for our shareholders because our revenues rise faster than costs. We will therefore remain ready to access the capital markets once they reopen.

I would like to join the Board in thanking our shareholders who have continued to support the growth of our business.

Jonathan Laredo
Chief Executive Officer

23 April 2020

Our Business Model and Strategic Priorities

Our business model and strategy is simple and differentiated.

The Company is committed to building a portfolio of institutionally attractive commercial properties in Ireland, outside of Dublin's central business district ('CBD'). Target properties should be structurally sound, attractive to tenants of good credit standing (government or large corporations) and generate a rent roll and have reversionary potential to support a sustainable and growing dividend, paid quarterly.

The execution of that strategy is driven by a number of interlinked factors and objectives:

We continue to manage our cost base carefully. The Company is committed to paying shareholders the highest proportion of property income by way of a quarterly dividend as is sensible given the demands of estate management and any capital expenditure necessary to maintain or improve our buildings. As our costs are largely fixed and not linked to the size of our capital base we will reduce our cost to revenue ratio as our capital base (and by implication the portfolio) grows, the percentage of net income increases with the consequent benefit to our dividend capacity.

We use our first mover advantage to buy well. Our chosen market still offers the opportunity to invest in well tenanted buildings at attractive investment yields and as the only public vehicle focused on this opportunity, we continue to attract vendors. Our target market is small by European standards, so it is not a core focus for European property firms. Interest in the market is growing from private funds and increasingly from smaller private equity firms but despite increasing investor demand, the volume of sales has meant that we have not yet seen a material compression in investment yields.

We manage the estate to retain and grow with our tenants as well as to optimise income and lease term. Most of the properties we buy are tenanted by growing businesses that need an active and engaged landlord. Most are also in areas where rents are rising because there is insufficient local property to meet the demand of new and existing tenants. Our objective as a landlord is to engage with tenants to encourage them to stay in the buildings wherever possible and, where they are growing and are prepared to enter into lease terms and we have the capacity, to expand our buildings or forward fund new buildings. We control strategic asset management in house and that means that we target the early capture of reversionary income and whilst rents are growing look for the optimum balance between income and lease term.

Ashtown Gate
Office, Dublin

We have begun to rationalise the portfolio by selling down some of the higher yielding, but smaller, buildings which are well tenanted but not institutional grade stock. The price for these buildings suits the high net worth market and so should find interest at or above the valuations at which we own them. Any proceeds of these sales are expected to be reinvested.

As rental growth begins to slow and the market outside of the Dublin CBD matures (supply and demand begin to balance) we will seek to extend the WAULT on the portfolio. We expect therefore, that our portfolio will over time coalesce into a coherent collection of modern office and industrial buildings sited across the country, with approximately 50% to 65% in the Dublin suburbs and commuter belt and the balance spread between the larger regional cities, the Midlands and the rest of the country.

We recognise the value of not only addressing but also publicising and tracking how we are improving, and will continue to improve the energy efficiency of our buildings, interact better within the communities in which our buildings are sited, help to make the work environment better for our tenants and treat our staff and suppliers fairly and with respect. The quality of our estate is central to its future value and its attractiveness to prospective tenants and as such we are committed to ensuring that as far as is possible every building we own will have improved its environmental credentials over our period of ownership. To that end we have, in this annual report, published our sustainability policy together with details of the various strategies by which we intend to progress our overall policy objectives. We are also rolling out a variety of measurements across our estate so that by the end of 2020 we can demonstrate the change in energy and water consumption, waste disposal, GHG emissions, use of renewable energy and other environmentally friendly measures taken in our buildings.

Key Performance Indicators

The Company's results for the financial period 2019 are set out in the Consolidated Statement of Comprehensive Income. The profit for the financial year ended 31 December 2019 was €5.1 million, including unrealised losses on investment properties of €0.8 million.

The Company's key performance indicators are chosen to be specific to the Company's sector, to provide a measure of the Company's performance and to show progression against the Company's investment objectives.

KPI	Relevance to Strategy
NAV per share	The NAV reflects the Company's ability to deploy its capital in a value enhancing manner.
EPRA NAV per share	The EPRA NAV reflects the Company's ability to deploy its capital in a value enhancing manner that can be compared with its peers.
Dividend per share	The dividend reflects the Company's ability to deliver a sustainable income stream from its investment properties.
Total shareholder return	The total shareholder return demonstrates the Company's ability to generate returns for its shareholders
NAV total return[1]	The NAV total return demonstrates the Company's ability to generate value and dividend returns

Performance against KPIs

The Company is listed on the AIM market of the London Stock Exchange and the Euronext Growth market in Dublin. The Company's shares trade relatively infrequently on either of these exchanges and the majority of the Company's current shareholders have held their shares since purchase at Admission or further issuance in 2019. As the Company's shares often trade at different prices on each exchange, both have been shown below. Over the year 7% of the weighted average issued outstanding shares traded secondary, and the share price has moved significantly on small volume. As an example, on Euronext Growth on 30 December 2019 the shares fell 2 cents on 4,678 (0.004% of the outstanding) shares trading. The Company intends that liquidity in its shares should improve as further shares are issued and the Company's PR improves awareness of the Company's business and track record, however, until then as relatively small transactions influence the share price disproportionately, the Company also monitors the NAV total return alongside the total shareholder return, as this is not influenced by share price movement. The NAV total return is shown alongside the total shareholder return for each exchange.

	NAV per share	Dividend per share	EPRA NAV per share[2]	Period total shareholder return Euronext[2]	Period total shareholder return LSE[2]	Period NAV total return[1]
31 December 2018	100.18c	0.96c	100.18c	-2.0%	-4.7%	4.8%
31 December 2019	98.52	5.71c[3]	98.52c	-1.3%	2.2%	3.7%
				-0.3%[3]	3.2%[3]	4.74%[3]
Change from 31 December 2018	-1.66c	+4.75c +5.74c[3]	-1.66c			

As a young, dynamic company, the Company is keen to provide KPIs and detail that also explain the NAV total return performance of the Company. The Company has grown significantly in 2019 both in terms of shares issued (+49%) and size of property portfolio (+49%). Growth brings with it one-off costs for placement and legal fees on equity issuance and the legal, tax and due diligence costs of buying property.

Costs of property purchase were 4.41% of capital in 2018 and 2.53% of capital in 2019, for a total of 6.94% since Admission. Costs of share issuance were 2.93% in 2018 and 0.95% in 2019, for a total of 3.89% since Admission. Combined, these have impacted the Company's NAV since Admission by -10.83%. If these costs are stripped out the NAV total return from Admission would increase from 3.70c to 11.67c, showing an annualised 9.29% return.

Operational Metrics

The Company uses operational performance metrics that allow the Company's property operations to be compared with others in its sector or peer group.

The Company's investment objective, as laid out in the admission document is to:

- Provide shareholders with high, good quality income;
- Pay a covered dividend and generate an attractive risk-adjusted total return for shareholders;
- Build a portfolio of Irish commercial office and industrial property assets to support a high and sustainable share dividend while achieving moderate capital growth; and
- Ensure that the investment properties be tenanted principally by Government and corporate tenants with favourable credit profiles.

The Company intends to pay most of its comprehensive income (excluding fair value gains or losses on investment properties) to shareholders by way of dividends. Following filing financial statements for the financial period from April 2018 to December 2018 with the CRO in February 2019 the Company began to pay quarterly dividends to shareholders. The interim dividends (for the first 3 quarters of 2019) for the financial period were 5.71c per share for a total of €3.59 million and in February 2020 a fourth quarter 2019 dividend of 1.04c was declared, giving a dividend per share for 2019 of 6.75c.

1 The NAV total return measures the return according to IFRS NAV and dividends paid. It is similar to Total shareholder return, except for its use of IFRS NAV in place of share price.

2 Alternative Performance Measures ("APMs"). The Company uses a number of financial measures to describe its performance which are not defined under International Financial Reporting Standards ("IFRS") and which are therefore considered APMs. In particular, measures developed by the European Public Real Estate Association ("EPRA") are reported in line with other public real estate companies. These are defined in more detail, and reconciled with IFRS where applicable, in the Alternative Performance Measures section.

3 Subsequent to year end a fourth quarter dividend was declared, bringing dividends for the year to 6.75 cents per share

Key Performance Indicators (continued)

The primary operational metrics used by the Directors to measure the Company's progress in achieving its investment objectives are illustrated below.

The quality of the Company's income is measured with reference to the creditworthiness of its tenants. Over the period from 1 January 2019 to 31 December 2019 the Company's contracted rent roll by tenant type is shown below, alongside the percentage vacancy by ERV:

	% of contracted rent roll				% of ERV
	Government/ quasi Government	FDI	Large Enterprise	SME	Vacancy
Admission	34.0%	52.5%	1.0%	11.5%	1.0%
31 December 2018	37.5%	54.0%	0.4%	5.3%	2.8%
31 December 2019	27.6%	68.3%	0.3%	3.8%	7.4%
Change from Admission	-6.4%	15.8%	-0.7%	-7.7%	6.4%
Period change from 31 December 2018	-9.9%	14.3%	-0.1%	-1.5%	4.6%

Additionally, the tenor and trajectory of the Company's rental income is measured;

	WAULT to next break	WAULT to lease end	WAULT to next rent reversion date	Gross Yield at fair value[4]	Gross reversionary yield[4]
Admission	5.2 years	10.4 years	3.2 years	10.0%	9.0%
31 December 2018	4.9 years	7.4 years	2.9 years	8.1%	8.6%
31 December 2019	4.6 years	8.1 years	2.3 years	7.7%	8.7%
Change from Admission	-0.6 years	-2.3 years	-0.9 years	-2.3%	-0.3%
Change from 31 December 2018	-0.3 years	+0.7 years	-0.6 years	-0.4%	+0.1%

Over the same period the Company has deployed or committed the proceeds of its 2019 capital raises and €14.6 million of its debt facility, increasing the value of the Group's revenue generating assets from €77.9 million to €115.8 million while increasing the Company's contracted rent roll over the year from €6.3 million to €8.9 million as at 31 December 2019. The Company measures contracted rent roll in order to demonstrate the progression of its primary source of income on a monthly basis.

The Company has incurred €2.8 million of purchase costs (including stamp tax and legal/agency and due diligence costs) on properties purchased in the year as well as development costs of c. €0.8 million. The fair value gain on the Company's properties at 31 December 2019 did not fully offset the entirety of these costs, showing a net loss of €0.8 million.

The Company expects to publish targets for improvements in energy efficiency, GHG emission, improvement in recycling by the date of the interim Report in June 2020. For these to be meaningful the baseline measurements need to be accurate and to that end the Company is ensuring there is measurement across all of the Company's buildings, but the Company is also engaged with the installation of intelligent measurement and analytical systems which will track usage and system efficiency both at a landlord and tenant level to the benefit of both. At present the Company is too small in capital terms to be considered for GRESB membership but provided the Company grows to sufficient size it will target a private submission of data by the end of 2021 with a target of full membership by 2022.

4 Alternative Performance Measures ("APMs"). The Company uses a number of financial measures to describe its performance which are not defined under International Financial Reporting Standards ("IFRS") and which are therefore considered APMs. In particular, measures developed by the European Public Real Estate Association ("EPRA") are reported in line with other public real estate companies. These are defined in more detail, and reconciled with IFRS where applicable, in the Alternative Performance Measures section.

In order to manage the Company's life and growth, the Directors have set short and medium-term targets for the investment objectives. These are a mix of organisational and property management, investment and capital raising objectives:

	Prior year progress	Impact	2019 progress	Impact
Short term objectives:				
To have allocated capital raised within 12 months	All of €75 million raised deployed	Company ahead of capital allocation target	All €36 million equity capital raised in 2019 committed by year end	Increase in pipeline as property sellers acknowledge the Company's ability to raise capital
To run the Company's business prudently and in compliance with the REIT rules[5]	Capital reduction, subsidiary fund liquidation, REIT rule compliance	Company paid dividends and property income distributions for 2018 in early 2019	Quarterly dividends declared and paid; property reporting system implemented	Company remains in compliance with the REIT rules, increased distributions paid to shareholders
Medium term objectives:				
To raise leverage of no greater than 25% on agreeable terms and deploy this in property assets	Debt facility of €19.9 million agreed, €6.2 million drawn	Revenue increase, asset increase	Debt facility increased by €9.1 million, 72% committed at year end	Revenue increase, asset increase, greater diversity
To raise and deploy further equity capital on property assets	Selection of suitable brokers and advisors	Timeline (excluding market conditions) achievable	Additional broker contracted, additional €35 million equity capital raised	Increased revenue and shareholder base while minimising cash drag
To increase amount, security and duration of the Company's rental income	Rent reviews initiated	Annual contracted rent roll increase from rent review	Annual contracted rent roll increase from 2018 from rent review of €0.36 million	Increased revenue, WAULT remains within a half year from 2018
To continue to minimise the Company's cost base, such that incremental capital raises can enhance the Company's dividends	Staffing and systems established prudently	Company operationally ready to raise and deploy further capital	Internalised finance function, reduced certain third-party costs	NAV grew by 46%, administrative costs were +54% on 2018, reporting period +43% longer than 2018

5 As an Irish Real Estate Investment Trust ("REIT"), the Company is subject to Part 25A of the Taxes Consolidation Act 1997 (as inserted by section 41 of the Finance Act 2013).

Financial Review

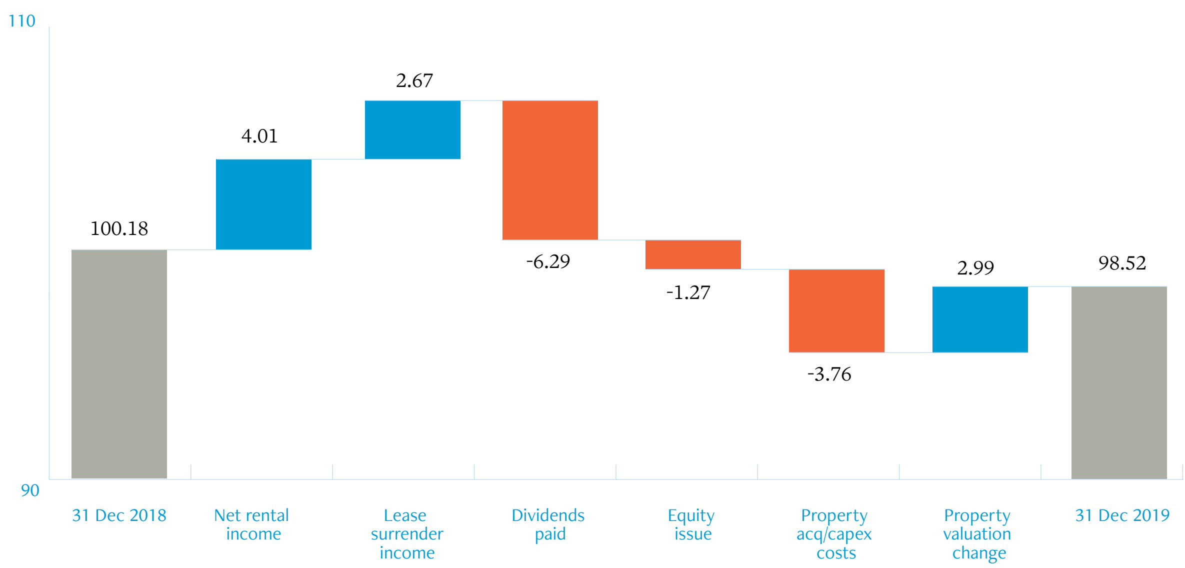
In the context of a rapidly growing company our results for the year were positive. Our issued shares grew by 49%, debt facility by 46% and property portfolio by 49%. Group net assets grew from €75.1 million to €109.9 million at year end, net rental income grew from €2.6 million to €9.4 million and administrative costs remained controlled at €3.0 million when compared with €1.8 million in 6.5 months of 2018. Our total expense ratio (“TER”) fell from 4.3% in 2018 to 3.7% in the year.

Net Asset Value

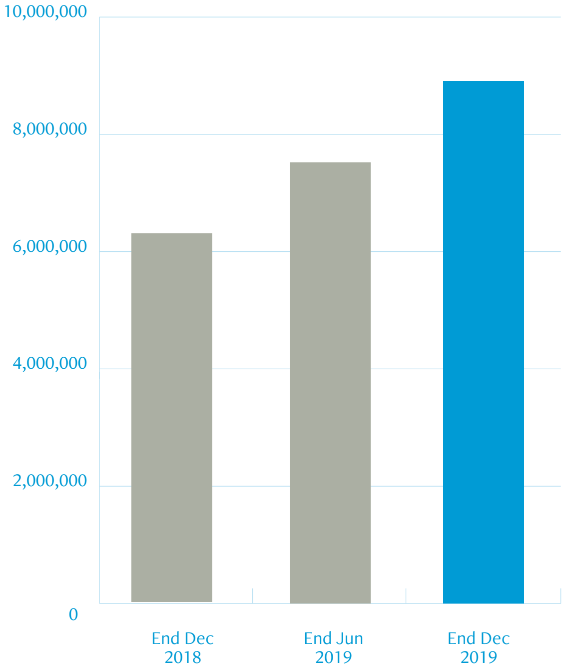
The net assets of the Group increased by €34.8 million, a rise of 46% over the year. The Company raised equity capital of €35.8 million, and further debt capital of €9.1 million, which was deployed on a further €39.5 million of property assets. Valuation falls on the Group’s portfolio over the period were €0.8 million, while its accretive strategy cost €2.8 million in property purchase costs (including an increase in commercial property stamp tax rates of 1.5% late in the period) and share issuance costs of €1.0 million. The vast majority of the net rental income was distributed to shareholders as property income distributions.

“The net assets of the Group increased by €34.8 million, a rise of 46% over the year.”

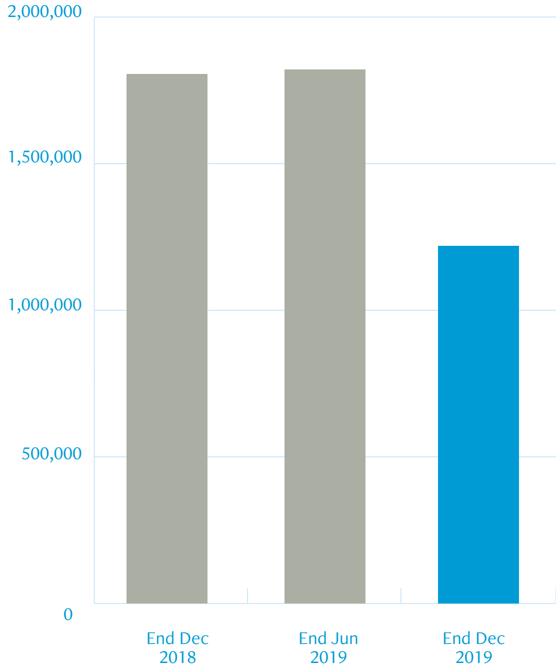
NAV per share Progression



Annualised rent roll



Administrative costs incl financing



Income statement

Net rental income for the year was €9.4 million, with the contracted rent roll rising by €2.6 million. A comparison of contracted rent roll for properties owned on 31 December 2018 with 31 December 2019 shows an increase of 41%, while contracted rent roll on properties bought during the period fell by €0.6 million, the majority of which was due to the lease surrender on the Cork Airport Business Park asset. As mentioned in the property review section, there were lease events which increased the income from some of the Company's properties, and with our reversionary portfolio we expect further increases over the coming years.

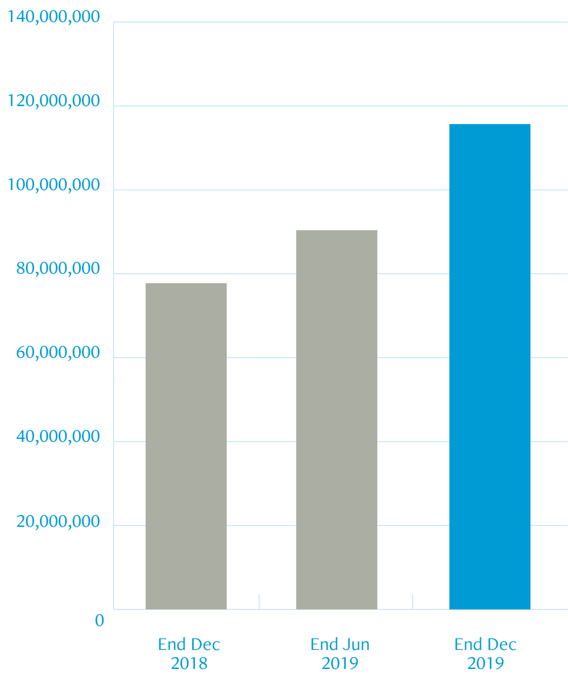
Administrative expenses over the year were €3.0 million. Excluding performance-based remuneration these were €2.4 million, comparing favourably with €1.8 million for the 6.5 months from Admission to 31 December 2018 while the Company's shares in issue increased by 49%. One additional hire was made in order to internalise the Company's finance function, which was previously provided by an external administrator. The internalisation was completed this year, and the Company will look at internalising other roles over the coming year if they offer control and cost benefits.

Dividends

Following last year's capital reduction and the filing of initial accounts in February, dividends for the year were 6.75c per share, an increase of seven times on the dividend declared for 2018 and fully covered by EPRA earnings. The Company has had a quarterly dividend schedule in place since March 2019 and continues to target distributing its net rental income to shareholders in this manner if prudent.

Financial Review (continued)

Property value



Investment properties

The property portfolio value was €115.8 million as at 31 December 2019, up from €77.9 million a year previously. Realised and unrealised losses on the property portfolio were -€0.6 million for the year, reflecting the costs of property purchases in an accretive period and the increase in stamp tax of 1.5% towards the end of the year as well as the gain on sale on one of our smaller properties. Capital expenditure not recharged to tenants was €0.8 million. As at 31 December 2019 the portfolio had 23 properties, with an average value of €5.0 million. The smaller legacy properties that were a part of the IPO seed portfolio will be marketed over the coming year and the proceeds may be redeployed in more institutional properties with greater growth prospects.

Borrowings

Over the year the Company increased its revolving debt facility with AIB from €20 million to €29.1 million in July, and the drawn amount from €6.2 million to €20.8 million. As at 31 December 2019 the Company had undrawn facilities of €8.3 million. The Loan to Value ratio increased from 8% to 18% over the period and is expected to rise again as pipeline assets are purchased. The Company remained fully compliant with its facility covenants throughout the year.

Share capital

The Company received agreement from its shareholders in July for a one year, 100 million share issuance programme, which was accessed twice in the following five months. Initially €10 million was raised to purchase a portfolio of properties on an IDA Ireland industrial estate in July, and in December the Company raised a further €25.8 million which was committed to the purchase of a portfolio of office buildings within 2 weeks of receipt of funds. Shares in issuance increased from 75.0 million to 111.6 million, an increase of 49%.

"The property portfolio value was €115.8 million as at 31 December 2019, up from €77.9 million a year previously."

Portfolio Report

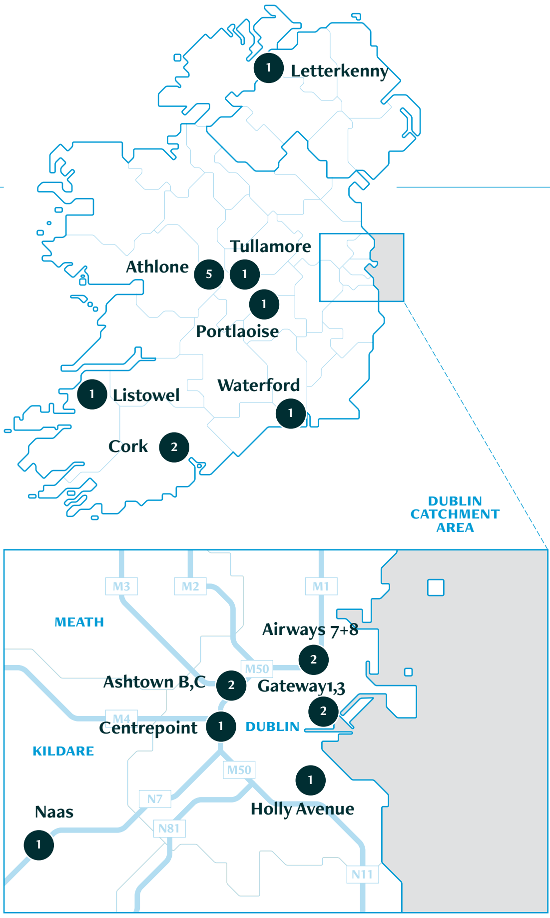
Year End 2019 Portfolio at a glance;

- Contracted rent roll: €8.9m
- Portfolio Value: €115.8m
- Gross yield at fair value: 7.7%. Gross reversionary yield 8.7%.
- Number of buildings: 23*
- Income security with WAULT at 4.6 years to break and 8.1 years to expiry.
- Portfolio increase via acquisitions from €77.9m to €115.8m at 31st Dec 2019: a 49% increase.
- Contracts exchanged on a further €25.3m of property.
- Contracted rental roll has increased from €6.3m in 2018 to €8.9m in 2019: 41% increase.
- Portfolio Location: 42% of contracted rent roll generated by buildings within the Dublin catchment area.
- Portfolio Quality: 96% of contracted rent roll secured by Government, FDI and Large Enterprise tenants.
- Sectoral Exposure: 67% contracted rent roll generated from office, 26% from industrial and 7% from mixed use and retail buildings

* Letterkenny is treated as a single asset and tenant in the table below but has three leases over three co-located buildings.

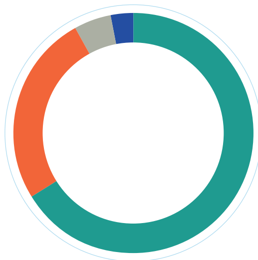
Portfolio Report (continued)

	Building	Type	Location	Value (€'000)	Contracted rent roll (€'000)	Gross Yield at Fair Value	Reversionary Rent Roll (€'000)	Gross Reversionary Yield	WAULT to lease break (years)	WAULT to lease end (years)	Portfolio vacancy
1	One Gateway	Office	Dublin	19,000	1,306	6.9%	1,491	7.8%	2.0	4.2	0.0%
2	Letterkenny	Office	North West	15,755	1,437	9.1%	1,458	9.3%	8.3	8.3	0.0%
3	Three Gateway	Office	Dublin	14,460	913	6.3%	1,188	8.2%	2.0	2.0	0.0%
4	Teleflex	Office	Midlands	11,610	948	8.2%	851	7.3%	8.8	11.7	0.0%
5	IDA Athlone Block B	Industrial	Midlands	6,175	530	8.6%	530	8.6%	3.2	13.2	0.0%
6	Unit 2600, Cork Airport	Office	Cork	6,200	0	0.0%	633	10.2%	0.0	0.0	100.0%
7	Ashtown Gate Block C	Office	Dublin	5,140	391	7.6%	401	7.8%	4.2	5.9	0.0%
8	IDA Athlone Unit B2	Industrial	Midlands	5,050	483	9.6%	483	9.6%	3.7	14.7	0.0%
9	Ashtown Gate Block B	Office	Dublin	4,915	393	8.0%	380	7.7%	3.0	9.5	0.0%
10	IDA Waterford Block A	Office	South East	4,100	353	8.6%	424	10.3%	4.2	15.0	0.0%
11	IDA Athlone Block A	Industrial	Midlands	3,500	250	7.1%	312	8.9%	1.2	11.1	0.0%
12	IDA Athlone Block C	Industrial	Midlands	3,150	280	8.9%	253	8.0%	4.8	9.8	0.0%
13	Blackwater House	Office	Cork	2,750	233	8.5%	313	11.4%	1.4	4.5	29.7%
14	Airways Unit 7	Industrial	Dublin	2,470	160	6.5%	248	10.0%	5.5	10.5	0.0%
15	Airways Unit 8	Industrial	Dublin	2,740	150	5.5%	280	10.2%	6.1	11.1	0.0%
16	Bridge Centre	Retail	Midlands	1,840	229	12.5%	181	9.8%	1.4	2.0	13.8%
17	Holly Avenue	Industrial	Dublin	1,835	170	9.3%	187	10.2%	1.1	8.1	0.0%
18	Unit L2 Toughers	Industrial	Dublin Catchment	1,815	170	9.4%	201	11.1%	3.1	3.1	0.0%
19	Old Mill Lane	Mixed Use	South West	1,500	302	20.1%	176	11.7%	6.9	8.7	0.0%
20	Canal House	Mixed Use	Midlands	930	107	11.5%	53	5.7%	7.0	7.0	0.0%
21	Centre Point	Industrial	Dublin	855	110	12.9%	51	6.0%	6.7	6.7	0.0%
		Total		**115,790**	**8,915**	**7.7%**	**10,092**	**8.7%**	**4.6**	**8.1**	**7.4%**



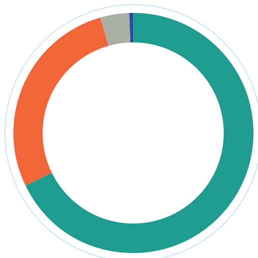
Sector mix by contracted rent roll

Office	67%
Industrial	26%
Mixed use	5%
Retail	3%



Tenant mix by contracted rent roll

FDI	68%
Government	28%
SME	4%
Large Enterprise	0.3%



At year end, December 2019, the Company's property portfolio has 23 buildings spread throughout Ireland. Independently valued by Lisney, the capital value of this portfolio stands at €115.8m, reflecting a gross yield at fair value of 7.7% and gross reversionary yield of 8.7%.

Company Portfolio Objectives

Yew Grove's investment strategy is to pursue and invest in a diversified portfolio of industrial and office property assets in its target geographical area securing high quality income from quality tenant covenants.

The investment objectives of quality income from quality covenants are constrained by the following risk limits;

1. No single property shall exceed 25% capital value of the total assets within the company;
2. Income receivable from one tenant group (except Government) not exceeding 35% of the total rental income;
3. At least 90% of the company's assets will be invested in the office and industrial sector. The REIT does not invest in solely residential, retail, or service sector buildings;
4. No more than 20% of the total assets of the company may be invested in properties outside its geographic target market;
5. The company will not engage in speculative development however will consider financing construction against pre-lets and/or agreements to lease to meet current tenants' expansionary plans;

Portfolio Report (continued)

Investment Activity 2019

The company closed four acquisitions in 2019 and exchanged conditional contracts on a fifth acquisition. In February 2020 these conditions were satisfied and it was completed as detailed in Note 30 to the financial statements.

Unit 2600, Cork Airport Business Park, Cork

In Q1, the Company acquired its first Cork property, Unit 2600 in the Cork Airport Business Park. The Park sits next to Cork Airport and is one of the prime sites in the Cork suburbs for FDIs and business services companies based in Cork. Built in 1999, the building has high grade office space for FDI tenants.

The building has c. 40,827 sq. ft of open plan space with 162 car parking spaces and was bought for €7.5 million which was a purchase yield to the Company of 7.85% after accounting for purchase costs. The tenant, Clearstream Global Securities Service Ltd had five years left to run on their lease. As part of its expansion plan, the tenant negotiated a lease surrender in June, resulting in a payment to the Company of €3m and the tenant vacated the building in July. The Company has completed a refurbishment on the building for a potential new tenant and is currently discussing terms with a number of interested parties.

Block A, IDA Waterford Business and Technology Park, Waterford

In Q1, the company completed the acquisition of Block A, IDA Waterford Business and Technology Park, Butlerstown, Waterford for €4.0 million. The modern office block has 36,845 sq. ft. of open plan space arranged over three storeys and completed to a high standard. The purchase yield to the Company was 8.56% after accounting for purchase costs. The building is tenanted by Tech Mahindra Business Services Ltd under a 20-year lease with a break in 5 years and SE2 Information Services Ireland Ltd under a five-year lease (with an exercised option to extend by a further five years).

Three properties in the IDA Business and Technology Park, Athlone

In July 2019, the company acquired a portfolio of three high quality industrial buildings in the IDA Business and Technology Park, Garrycastle, Athlone for a purchase price of €13.0 million, which represents a purchase yield to the company of 7.60% after accounting for purchase costs. The portfolio should enjoy a potential reversionary yield in excess of 8.0%.

The portfolio has 114,498 sq. ft. of modern high-tech space in three buildings with associated carparking and is leased to PPD Development Ireland Ltd, KCI Manufacturing and Signature Ortho Europe Ltd. The combined leases had a WAULT at time of purchase to break of 3.9 years and to lease expiry of 12.5 years. The combined current rent roll for the portfolio is €1.06 million.

The building occupied by KCI Manufacturing interconnects with the company's existing Athlone property and brings the total size of the Company's property leased to KCI to 101,230 sq. ft. The addition of the three new buildings bring the Company's total industrial footprint in the park to c.161,370 sq. ft. with an aggregate rent roll of c.€1.54 million.

A further property on the IDA Business and Technology Park, Athlone

In December the Company completed the purchase of an office building also situated within the IDA Business and Technology Park, Garrycastle, Athlone. The purchase price was €12.0 million, which represented a purchase yield to the Company yield of 7.2% after purchase costs, the lease has rent reviews linked to CPI.

The building, constructed in 2016, has 45,144 sq. ft. of modern office space with a 245 space car park. It is leased to Teleflex Medical Europe Ltd and has a WAULT to break of 8.8 years and to lease expiry of 11 years. The current rent roll for the building is €0.95 million per annum.

This acquisition brings the company's total footprint in this IDA Ireland park to c.206,500 sq. ft. in five buildings with an aggregate annual rent roll of c.€2.49 million from four highly rated FDI tenants.

Portfolio of six buildings at Millennium Park, Naas

In late December 2019, the Company announced that it had exchanged conditional contracts for the purchase of a portfolio of six office buildings at Millennium Park, Naas, County Kildare. The purchase price for the portfolio was €25.3 million, which represents a purchase yield to the company of 5.8% after accounting for purchase costs. The conditions were satisfied and acquisition completed post year end in February 2020. The portfolio is expected to have near-term reversionary potential in excess of 9%.

The portfolio has 140,000 sq. ft. of modern offices over six buildings, as well as 773 carparking spaces and a six-acre greenfield site. Five of the office buildings are tenanted by FDI and large Irish enterprises, with one of the buildings being vacant. The combined leases have a WAULT to break of c.2.5 years and to lease expiry of c.5.0 years. The current annual rent roll for the portfolio is approximately €1.6 million.

The portfolio is a part of the Millennium Park, Naas development which is situated approximately 40 minutes' drive from Dublin City Centre and Dublin Airport. It is expected to benefit from a recent upgrade of the M7 motorway and significantly improved access from the new M7 interchange at Millennium Park.

Once the Millennium Park acquisition has completed, the Company's portfolio will have 27 properties with a proforma gross asset value of c. €141m and an annual contracted rent roll of €10.6m.

Portfolio Report (continued)

Portfolio Structure

The portfolio, which focuses on the industrial and office sector, has a tenant base providing stable income from higher yielding assets with strong tenant covenants.

The portfolio at 31 December 2019 has 707,100 sq. ft of total space. The office sector represents 51.1% of the portfolio floor space (361,491 sq. ft), of which approx. 35.4% (127,858 sq. ft) is within the Dublin catchment area.

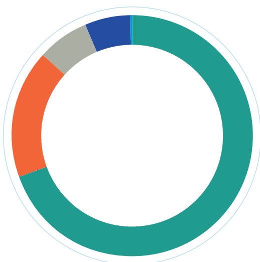
The industrial sector represents 43.3% of the portfolio floor space (306,429 sq. ft) of which approx. 47.3% (145,060 sq. ft) is within the Dublin catchment area. The balance (161,370 sq. ft) is within the IDA Business & Technology Park, Athlone.

Mixed use (including retail space) represents 39,179 sq. ft or 5.5% of the floor space and these units are in mixed-use buildings where retail is ancillary to the anchor tenants which are government agencies occupying office space and also in the Tullamore Bridge Centre (anchored by An Post). All of these buildings will be marketed for sale during 2020.

Overall, the vacancy rate of the portfolio currently stands at 7.1% or 50,118 sq. ft, the majority of which is at Unit 2600 at Cork Airport and Blackwater House.

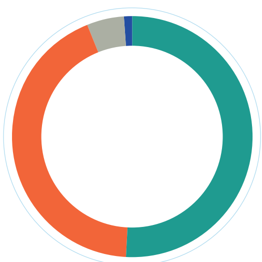
Tenant Mix by Floor Area

FDI	69%
Government	17%
Vacant	7%
SME	6%
Large Enterprise	0.13%



Sector Mix by Floor Area

Office	51%
Industrial	43%
Mixed use	5%
Retail	1%



Reversionary and Rental Potential

A key activity for the management team is the capture of potential reversionary rent and achieving rental growth in the portfolio, which will increase the Company's future revenues.

In 2019, the Company completed three new leases/licence and four rent reviews bringing an additional €376,000 to the annual rent roll. In addition, as tenants exercise their lease/licence extension options or pass on lease breaks, the WAULT of the portfolio has remained broadly in line with the previous year.

The portfolio tenants are high quality and include government bodies (such as Irish Water, ESB and the Office of Public Works) accounting for 27.6% of the total rent roll, while FDI and Corporates (such as KCI, Optum, Teleflex) account for 68.34%.

The external valuer's 31 December 2019 report shows that approximately 70% of the core portfolio by building has reversionary upside which could bring the yield on the portfolio to 8.72%.

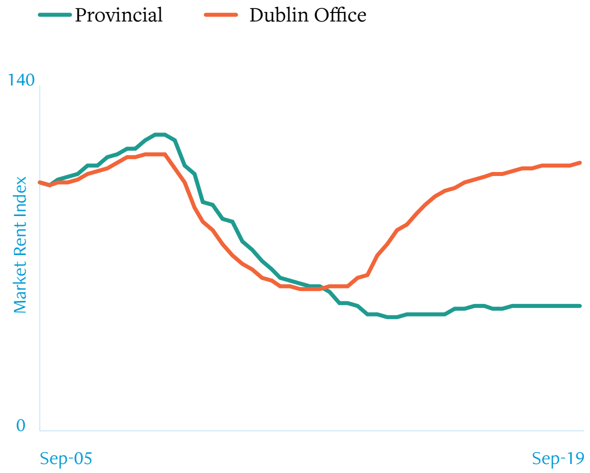
Asset management of the company's portfolio is a key driver to increasing rental income, WAULT, and ultimately capital value of our properties. The highlights of 2019 include, the company achieving rental and licence increases of 33.0% on a lease at Ashtown Gate, 36.0% on a lease at Holly Avenue and 94.0% on a lease at Gateway One.

In addition, the company forward funded the development of a purpose-built surface carpark at an industrial unit located within the IDA Technology & Business Park, Athlone. This was leased to KCI Manufacturing in March 2019 at rent of €48,000 per annum for an additional 70 car parking spaces.

At the Gateway One property, a new lease to Mott McDonald completed the full occupancy of the property for the first time in 2019.

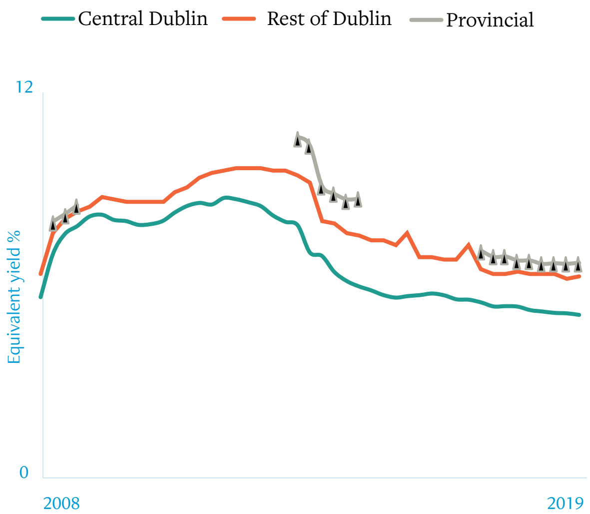
The portfolio has numerous ongoing projects that are to be completed within the year. Where the management team believe it will enhance future income generation and capital values, the Company may from time to time,

Regional commercial property rents are still at the early stage



Source: Goodbody, MSCI

Non-core offers attractive yeild spread 100-150bps with similar income risk



Source: Goodbody, MSCI

undertake planning, intensification, unit consolidation, unit division, modernisations and redevelopments in respect of properties.

A complete review of all assets in the portfolio by way of a Building Investment Fund survey report began in 2019. The purpose is to ensure that existing sinking funds for each of the buildings are appropriately funded given the needs to replace and upgrade their mechanical and engineering systems. The Company plans to further develop this with a particular focus on enhancing the environmental and sustainability aspects of each building in line with the company's ESG policy.

Acquisitions & Disposals Policy

The Company's target geographic market is focused on a) the Dublin catchment area b) major regional cities and towns (especially those identified as hubs for industrial development under Project Ireland 2040) and c) in IDA Ireland Business and Technology Parks.

Outside Dublin, the Company has targeted and secured assets within the major regional cities and towns. It has specifically sought assets within IDA Ireland Business and Technology Parks on a national level, ranging from Letterkenny in the north to Waterford in the south. These parks are occupied by government and IDA Ireland backed tenants who are usually situated in a particular park for geographically specific reasons (such as the existence of an industrial supply chain in an industry sector, the quality and specificity of graduates from the local Institute of Technology or other educational and research establishments or the clustering effect from a number of companies in an industrial sector).

The investment focus of the management team is on assets with strong, stable and growing income. To that end, the Company looks for properties that are well situated and tenants with strong credit profiles. Ideally the buildings are in areas sought by similar tenants and should therefore provide a strong reversionary income as rents rise. Post-acquisition, the portfolio the Company seeks to develop close relationships with its tenants to facilitate better engagement with the tenants to understand their requirements, meet their needs and to improve visibility of potential opportunities but also alleviate or avoid potential problems. As an active landlord that is willing and able to facilitate a tenant's growth plans, the strategy has already borne fruit, and several have already confirmed that they are planning to expand their footprint within the Company's existing properties.

The Company's acquisition policy for 2020 will continue along the same path and focus on high quality buildings with secure, strong and growing income.

In 2020, the target acquisition lot size for industrial properties will be in a €5m and €15m range per property and for offices will be in a €10m and €30m range per property. The mixture of assets located within our target market remains strong. The Company's business model and relationships afford it the opportunity to explore a wider range of prospects and therefore diversification

Portfolio Report (continued)

within the portfolio. The Company expects to see a robust pipeline of assets in 2020 coming from a number of different sources, including Investment firms, private equity firms and construction/development firms. The pipeline of assets coming forward in 2020 comes from asset and capital recycling, portfolio reconfiguration, market consolidation and broader more transparent pricing.

With the primary focus on strong but good quality and growing income returns, the Company anticipates generating capital growth as rents increase and through active asset management.

In order to maintain a higher quality and more balanced weighting of capital values within the portfolio, the management team intend to dispose of several of the smaller mixed use and retail assets during 2020.

The first of these disposals was Heather Road for €1.1m which represented a 15.1% annualised return to the company since IPO. Three other assets have been prepared for market, and one further asset is subject to a lease negotiation in preparation for sale.

Top Five Portfolio Assets

One Gateway, East Wall Road, Dublin 3

Investment Region	**Non-CBD Dublin**
Asset	**One Gateway**
Sector	**Office**
Area	**51,497 sq. ft GIA**
Age of Building	**12 years**
Building Design	**Multi-tenanted**
Tenant	**Govt/FDI/Corp**
WAULT (expiry/break)	**4.2/2.0**
Acquisition Price	**€16.31m**
Valuation	**€19.00m**
Gross yield at fair value	**6.9%**
Gross Reversionary Yield	**7.8%**

IDA Letterkenny Office Park, Letterkenny, Co. Donegal

Investment Region	**North- West**
Asset	**Optum 1, 2 & 3**
Sector	**Office**
Area	**90, 548 sq. ft GIA**
Age of Buildings	**13-21 years**
Building Design	**Single- tenanted**
Tenant	**FDI**
WAULT (expiry/break)	**8.3/8.3**
Acquisition Price	**€16.00m**
Valuation	**€15.76m**
Gross yield at fair value	**9.1%**
Gross Reversionary Yield	**9.3%**

Three Gateway, East Wall Road, Dublin 3

Investment Region	**Non-CBD Dublin**
Asset	**Three Gateway**
Sector	**Office**
Area	**43,212 sq. ft GIA**
Age of Building	**12 years**
Building Design	**Single Tenant**
Tenant	**Government**
WAULT (expiry/break)	**2.0/2.0**
Acquisition Price	**€12.69m**
Valuation	**€14.46m**
Gross yield at fair value	6.3%
Gross Reversionary Yield	8.2%

Teleflex, IDA Business & Technology Park, Athlone, Co. Westmeath

Investment Region	**Midlands**
Asset	**Teleflex Building**
Sector	**Office**
Area	**45,144 GIA sq. ft**
Age of Building	**4 years**
Building Design	**Single Tenant**
Tenant	**FDI**
WAULT (expiry/break)	**11.7/8.8**
Acquisition Price	**€12.00m**
Valuation	**€11.61m**
Gross yield at fair value	8.2%
Gross Reversionary Yield	7.3%

Block B, IDA Business & Technology Park, Athlone, Co. Westmeath

Investment Region	**Midlands**
Asset	**Block B**
Sector	**Industrial**
Area	**54,358sq. ft**
Age of Building	**11 years**
Building Design	**Single tenant**
Tenant	**FDI**
WAULT (expiry/break)	**13.2/3.2**
Acquisition Price	**€6.22m**
Valuation	**€6.18m**
Gross yield at fair value	8.6%
Gross Reversionary Yield	8.6%

Engagement Report

The Board is responsible for establishing the key principles and culture of the Company, including in environmental, social and corporate governance. The Company seeks to be clear and open in performance reporting for all stakeholders and conduct its affairs responsibly and with suitable oversight. We are fortunate to have built a strong team at the Company and our culture is key in ensuring that team works well. We are guided by our shared objectives, values and understanding of the Company and the Company's stakeholders and environment.

Stakeholder Engagement

The Company has a number of stakeholder groups:

Employees

We value the contributions made by the Company's employee and non-executive teams. Since the Company's formation in 2018 we have striven for a strong and open Company culture, with values that have been co-created by our employees. We aim to have a positive, transparent business environment consistent with our values, with equal opportunities for all. All employees are invited to the weekly Company business meeting and are free to table points, question or propose agenda items and participate as fully as they require. The Company has a flat reporting structure, aided by its relatively small size, so each employee reports, and has daily access, to an executive board member.

"We seek to select, recruit, develop and promote the very best people in a working environment where all are treated with dignity and respect."

We seek to select, recruit, develop and promote the very best people in a working environment where all are treated with dignity and respect. This is effected by:

1. Ensuring equal opportunities in the recruitment process
2. Setting fair and competitive salaries and benefits
3. Ensuring employee objectives and reviews reflect the Company's objectives and culture
4. Having appropriate family and well-being policies
5. Being opposed to any form of discriminatory treatment

All employees and executive directors receive death in service and long-term disability insurance, as well as health insurance for them, their spouses and dependents under the age of 18. The employee pension benefits contributed by the Company are 15% for every employee without exception. With the approval of the Remuneration Committee each of the employees are eligible to receive a bonus for outperformance against specific and agreed measures. In 2020 the Company intends to expand the membership of the Long Term Incentive Plan to include certain employees in addition to the executive directors to more closely align those employees with Company performance.

The executive directors are responsible for overseeing the training, development and career mentoring of the employees that report to them. The Company's open and inclusive work culture allows employees to see the benefits of their work to the Company and its wider community. Employee development needs are met by a mix of activities which include internally and externally provided training, structured 'on the job' work experience and through interaction with professional colleagues. Over the year, staff completed an average of 15 hours training each.

As a smaller company the Directors recognise the benefits of diversity of skills, experience, background, gender and other qualities in the Company's employees. We are committed to reflecting diversity in its broadest sense, while ensuring that we maintain the necessary skills and experience required to oversee the significant business activities and related requirements of the Group. In reviewing the Company's employment requirements, candidates are considered on merit against objective criteria and with due regard for the benefits of diversity. The Company has a Diversity Policy, the aim of which is to ensure that the percentage of women employed by the Company remains at or exceeds 30% and men employed by the Company remains at or exceeds 30%. At the end of the financial period of the Company's employees 33% were women, and of the officers (including independent non-executive directors) 30% were women.

The health and well-being of our employees and stakeholders is critical to the business. Our commitment to providing a safe and healthy working environment for our employees is achieved by:

1. Adhering to the appropriate health and safety standards
2. Providing a working environment that as far as possible enables employees to work effectively and free from unnecessary anxiety, stress and fear
3. Having private health benefits for all employees
4. Ensuring employees can report inappropriate behaviour or concerns through any of their manager, the senior independent director or via the whistleblowing policy
5. Having appropriate family friendly policies
6. Having a modern slavery policy and a zero-tolerance approach to slavery, human trafficking, as well as bribery and corruption.

Engagement Report (continued)

EPRA enhanced measures for reporting table (social and governance)

Indicator		31/12/2018	31/12/2019
Gender Diversity (Male/Female ratio)	All employees	60%/40%	66%/34%
	Executive Directors	100%/0%	100%/0%
	Non executive Directors	75%/25%	75%/25%
Gender pay (basic pay by Male/Female ratio)	All employees	71%/29%	73%/23%
	Executive Directors	100%/0%	100%/0%
	Non executive Directors	78%/22%	78%/22%
Training and development (Average hours per employee)		12	15
Performance appraisals (% of workforce)		100%	100%
New hires		5	1
Turnover		0	0
Injury rate (Injuries per work hour)		0	0
Lost day rate (Days per employee)		0	0
Absentee rate (Days per employee)		0	0
Fatalities		0	0
H&S Impact assessments		0	0
H&S incidents		No instances of non-compliance	No instances of non-compliance
Nomination and selection process for selecting the highest governance body		http://www.ygreit.com/~/media/Files/Y/Yew-Tree-Commercial/documents/20-terms-of-reference-nominations-committee-may-2018.pdf	http://www.ygreit.com/~/media/Files/Y/Yew-Tree-Commercial/documents/20-terms-of-reference-nominations-committee-may-2018.pdf
Conflict of interest management		The Company has a conflict of interest policy, the Conflicts log is reviewed by the Audit Committee at each meeting, no conflicts have been reported.	The Company has a conflict of interest policy, the Conflicts log is reviewed by the Audit Committee at each meeting, no conflicts have been reported.

Shareholders

The Directors welcome the opportunity to meet with the Company's shareholders both at the Company's AGM, EGM and at informal meetings. All directors attended the 2019 AGM and EGM to meet with shareholders and the Executive Directors conducted shareholder meetings following release of the 2018 Annual report, the 2019 Interim report and before the Company's capital raising in July and December 2019. The Company hosted visits to its offices and its properties for shareholders and intends to continue doing so in 2020. At each quarterly Board meeting (and at ad-hoc Board meetings if merited) the Executive Directors brief the non-executive Directors on current and potential shareholders' views on the Company's performance, strategy and results. The Company's broker Goodbody Stockbrokers provides written feedback from meetings that is shared directly with the Board. Garry O'Dea as Senior Independent Director remains a point of contact for shareholders who wish to speak directly with the non-executive Directors.

Service Providers

The Company conducted a review of the performance, cost and benefit of all its service providers, making changes where these were merited and reviewing the need and cost benefit of additional staff to ensure the Company remains operationally effective. The Company has internalised its finance function in 2019 and continues to review other currently outsourced services that might be better provided internally from 2020. As a lightly staffed, responsible Company the Directors value the past, present and future business relationships that allow the Company's strategy and business to be efficiently executed. The Company has conducted property visits with service providers to ensure they understand the Company's business better. A significant amount of the Company's employees' time and effort is taken in educating our business suppliers and stakeholders on the Company's objectives, plans and ethics in order that our service providers understand their part in those goals. The Company has a modern slavery policy and requires behaviour from its service providers to be in keeping with the Company's Supplier Code of Conduct.

Tenants

The Company's interest in its tenants is indicated in its investment policy and continued through the ownership of each property. The Company's property management group's aim is to be proactive, approachable and responsible in their tenant interactions in order that our properties support our tenants', and modern workplace, requirements. All property purchases and new leases require a detailed review of the tenant, the tenant's business and the relationship of these with the company and the economic and social environment. The Company's property management group meet with the tenants to understand their current and future use of the properties, deal with issues and, where feasible, to try to improve the quality of the property and its environment.

Communities

As a company we invest in property situated in communities across Ireland, usually in areas where our tenants are significant local employers. However, it is important that we are not just the owners of the buildings housing businesses that employ local people, but that we do what we can to have a positive impact on those local communities. That includes ensuring our buildings are healthy places to work but also we aim to try to improve the local communities in some way.

Our business strategy is predicated on benefitting from Ireland's attractiveness to foreign direct investment. That investment is in large part driven by the quality of the young, educated work forces that exist in the larger towns and cities in regional Ireland. Whilst the cities (Cork, Limerick and Galway) have thriving universities which spawn research institutes and help to encourage business investment, the towns rely on Institutes of Technology which tailor many of their courses to educate students in ways that make them more attractive to and employable by those multinational investors. The buildings we own outside of the larger cities are usually situated on IDA Ireland parks set close to local institutes of technology. One of our key community objectives for 2020 is to engage with at least two of those institutes to see how better we can improve the local environment: for example by sponsoring and facilitating research in practical improvements to the environmental impacts of both the parks in which the buildings are situated as well as the buildings themselves.

Engagement Report (continued)

As part of a broader community outreach we also intend to engage with at least one local charity in the regions in a way which makes a material difference to that charity. Given the relatively small size of our company and workforce some of the involvement will necessarily be small scale. However, the most effective engagement which could make the most material impact is in the creative use of our assets, such as development land or vacant floor space.

Environment

Sustainable buildings

The Company's portfolio of buildings were mostly constructed when regulatory and social concerns with environmental issues were less pronounced than today. As a result whilst the buildings may have been constructed soundly, the lighting, heating, insulation, air conditioning, waste disposal and other systems integral to its function will not be of a standard expected from a new build, especially following the Near Zero Energy Building regulations now in force for all new builds. However, that does not mean that there is nothing we can do. Our strategy is multi layered but in simple terms it has three strands:

1. Throughout the life of the building and as leases, building design and tenants allow we will replace existing mechanical and engineering (M&E) systems with more environmentally friendly improvements. For example this means:

- replacing lights with LED lighting
- re-glazing and re-insulating (where possible)
- upgrading energy supply systems to switch as far as is possible and desirable to renewable energy, using technology such as heat pumps to reduce energy wastage in air conditioning and heating systems
- introducing modern building management systems either as upgrades to existing buildings or in a number of cases to those buildings which have none.

The speed of development will vary across the estate as some is single tenanted and control of a number of the issues is vested with the tenant and some of the estate is multi tenanted where we control the building management but still need to work with our tenants.

2. Across our estate we have begun measuring all of the energy and water consumption and will also measure waste disposal and destination. The purpose is to allow us to understand better the baseline usage and effect of those buildings but also to target material improvements in energy and water consumption, waste disposal and greenhouse gas (GHG) emissions.

3. We have begun engaging tenants to understand their objectives and concerns, and to let them know of our plans. This is done through a tenant survey which has been tested on one of our buildings and will be rolled out across the entire estate and repeated annually. In order to make the surveys meaningful we will, where possible and where tenants are engaged, work with them to add additional improvements to the buildings: for example by adding more cycling facilities, improve the usage of common space or land with bee friendly planting or improving the common spaces within multi let offices to improve the working environment for the workers who use them.

We expect to publish ambitious targets for improvements in energy efficiency, GHG emission and improvement in recycling by the date of our Interim Report in June 2020. But for those to be meaningful the baseline measurements need to be accurate and to that end we are not only ensuring there is measurement across all of our buildings, but we are also engaged with the installation of intelligent measurement and analytical systems which will track usage and system efficiency both at a landlord and tenant level to the benefit of both.

At present we are too small in capital terms to be considered for GRESB membership but provided we grow to sufficient size we will target a private submission of data by the end of 2021 with a target of full membership by 2022.

GOVERNANCE

Directors' Report

The Directors of Yew Grove REIT plc present their annual report and the audited consolidated financial statements for the financial year from 1 January 2019 to 31 December 2019.

Principal activities

The Company (Yew Grove REIT plc) was established in April 2018 and became an Irish real estate investment trust in May 2018. The Company's main activities are the acquisition, management and rental of commercial property in the Republic of Ireland. The Company has a single class of shares that has been listed on the Alternative Investment Market of the London Stock Exchange from Admission on 8 June 2018, and the Enterprise Securities Market of Euronext Dublin from Admission on 8 June 2018 until the Enterprise Securities Market was renamed Euronext Growth, from which point the shares were listed on Euronext Growth.

Results and activities for the Financial year

The Group's results for the financial period from 1 January 2019 to 31 December 2019 are set out in the Consolidated Statement of Comprehensive Income. Having invested all of the equity capital raised at the Company's initial public offering in 2018, the Company invested the proceeds of the debt facility raised in 2018 from Allied Irish Bank, PLC ("AIB") in the first half of the year on office and industrial properties in Waterford, Cork Airport Business Park and development of a car park in Athlone. In July the Company sought and received approval from shareholders to set up a €100 million equity issuance programme. Just over €35.8 million of that has been drawn in the second half of the year and invested in four buildings in Athlone, with the remainder being committed to a portfolio of six buildings at Millennium Park in Naas which completed after year end. The Company also expanded its debt facility by €9.1 million during the year and paid quarterly dividends to shareholders. The profit for the year was €5.1 million, including unrealised losses on investment properties of €0.8 million. There is more detail attached in the Consolidated Statement of Comprehensive Income.

Business review

The Chair's statement, the CEO's statement, the Financial Review, the Portfolio Report and the Key Performance Indicators provide detail of the business review, the Group's performance in this reporting period, and the current standing, recent events and future developments which form a part of this report of the Directors.

Principal Risks and Uncertainties

The Directors have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business strategy, performance, solvency or liquidity. The principal risks and uncertainties are discussed in the 'Principal Risks and Uncertainties' section and form part of this report.

Future developments

The Group reviews three-year forward projections at its quarterly board meetings and conducts an annual strategy review, including presentations from external market participants. The Company maintains a seven-year forward projection to ensure the impact of the Company's strategy and Directors' decisions on implementing that strategy can be seen in the longer term. The review of these projections allows the Directors to see the expected consequences (economic, operational, and relative performance) of their decisions as well as reviewing the Company's past performance.

Since the financial year end date the Company has increased its revolving debt finance facility by €20.0 million and completed the purchase of a portfolio of office properties on the Millennium Business Park, Naas for a price of €25.3 million. The company had exchanged conditional contracts before the year end, this conditionality was not resolved until February 2020. A deposit had been paid which was refundable until all conditions had been met. While these additional purchases leave the Company with relatively little capital available for further acquisitions the Company continues to explore accretive opportunities that might merit the raising of further capital. The Company will continue to manage its existing portfolio in line with its investment strategy, reviewing each asset to ensure its fit and economic benefit to the Company and fulfilling a programme of works to ensure its properties each remain at a standard that will satisfy tenants of good credit quality and attract similar tenants to any vacancy.

The Company has from Admission on 8 June 2018 been listed on the AIM market of the London Stock Exchange and the Euronext Growth market in Dublin. Under the REIT rules the Company has until May 2021 to list its shares on a recognised exchange in order to retain its REIT status. The Board have reviewed the company's plans for doing so within the timeframe and continue to monitor progress in this regard.

As a consequence of Brexit, it will no longer be possible for Irish companies to have their shares settled on the CREST system after March 2021. The Company's shares are currently settled on CREST, so will have to be moved to a different, EU approved settlement system by March 2021. Following the completion of the Migration of Participating Securities Act 2019 on 25 December 2019 the Company has the opportunity to migrate its shares from the CREST system to Euroclear Bank in Belgium.

Events after the reporting period

The events subsequent to the reporting period are set out in Note 30 to the consolidated financial statements.

Dividends

Under the Irish REIT regime, subject to having sufficient distributable reserves, the Company is required to distribute to shareholders at least 85% of the Property Income of its Property Rental Business for each accounting period. It is the Board's intention to pay quarterly dividends to shareholders. Over the period the Company's total interim dividends declared and paid was €5,143,500 for 6.67 cents per ordinary share. There were no final dividends proposed or paid. Over the period the Board declared an interim dividend of 0.964 cents per share, being €723,000 on 7 February 2019, which was paid on 26 February 2019 to all ordinary shareholders on the share register at the close of business on 15 February 2019. This dividend was 91% a Property Income Distribution ("PID"), as defined in Irish REIT legislation. On 29th March 2019 the Company declared the payment of an interim dividend in respect of the first quarter of 2019 of €825,000 for 1.10 cents per ordinary share. This was paid to shareholders on 13 May 2019. On 26 June 2019 the Company declared the payment of an interim dividend in respect of the second quarter of 2019 of €1,027,500 for 1.37 cents per ordinary share, and a special dividend of €1,395,000 for 1.86 cents per ordinary share. These were paid to shareholders on 24 July 2019. On 26 September 2019 the Company declared the payment of an interim dividend in respect of the third quarter of 2019 of €1,173,000 for 1.38 cents per ordinary share. This was paid to shareholders on 24 October 2019. On February 13 2020 the Company declared the payment of an interim dividend in respect of the fourth quarter of 2019 of €1,160,350 for 1.04 cents per ordinary share. This was paid to shareholders subsequent to the period end on 19 March 2020.

Share Capital

At 1 January 2019, the Company's total authorised and issued share capital comprised 75,000,000 ordinary shares of €0.01 each ("Ordinary Shares") all of which were issued prior and none of which the Company held in treasury. In the year the Company issued an additional 10,000,000 Ordinary Shares at a price of €1.00 each, and on 6 December the Company issued an additional 26,572,210 Ordinary Shares at a price of €0.97 each. At 31 December 2019, the Company's total authorised and issued share capital comprised 111,572,210 ordinary shares of €0.01 each ("Ordinary Shares"), none of which the Company held in treasury. The Company's entire authorised share capital is €10,000,000 comprising 1,000,000,000 ordinary shares. All of these shares are of the same class and carry equal voting rights and rank equally for dividends. The Company has no securities in issue conferring special rights with regard to control of the Company. Details of the share capital of the Company are set out in Note 21 to the Consolidated financial statements and are deemed to form part of this report.

Directors' Report (continued)

Details of Directors' and Secretary's interests in share capital at 31 December 2019:

	Date of appointment as Director/ Secretary	Number of Ordinary shares owned At 1 January 2019	Number of Ordinary shares owned At 31 December 2019	Ordinary shares owned subject to performance conditions	Ordinary shares owned not subject to performance conditions	Percentage of Issued Capital at 31 December 2019
Barry O'Dowd	4 June 2018	25,000	50,309	-	50,309	0.05%
Eimear Moloney	4 June 2018	25,000	70.773	-	70.773	0.06%
Garry O'Dea	5 June 2018	25,000	75,773	-	75,773	0.07%
Brian Owens	4 June 2018	25,000	70,773	-	70,773	0.06%
Jonathan Laredo	20 April 2018	2,529,596	2,575,369	-	2,575,369	2.31%
Charles Peach	20 April 2018	251,440	277,213	-	277,213	0.25%
Michael Gibbons	20 April 2018	2,052,544	2,052,544	-	2,052,544	1.84%
Sanne Group (Company Secretary)	5 June 2018	-	-	-	-	0%

The Company's non-independent Directors (Jonathan Laredo, Charles Peach and Michael Gibbons) own 4,905,153 shares between them and have signed lock-in deeds that restrict the sale of 4,833,580 of those shares before 8 June 2020.

Substantial shareholdings

As at 31 December 2019 the Company has been informed of the following substantial interests (being 3% or more of the issued share capital) in the Company's shares.

	Shares held	% held
Royal London AM	23,000,000	20.6%
Invesco	11,800,000	10.6%
AIB	7,312,500	6.6%
OVMK	5,500,000	4.9%
Hof Hoorneman Bankiers	5,390,600	4.8%
Investec Wealth & Investment	4,008,522	3.6%
Alpha 4 S.A. SICAV-SIF Long Term Invest	3,550,000	3.2%

Directors

The names of each person who at any time during the year from 1 January 2019 to 31 December 2019 was a Director and a short biographical note on each Director appears in the Corporate Governance Statement on page 44 and 45, and these notes are incorporated into this report by cross reference.

All Directors have agreed letters of appointment with the Company of three years in duration from the date of their appointment. The terms and conditions of appointment of the Non-Executive Directors are set out in their letters of appointment, which are available for inspection at the Company's registered office. In accordance with the Corporate Governance Code, all Directors submit to re-election at each AGM. For the purposes of the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, details concerning the appointment and the re-election of Directors and the amendment of the Company's Articles of Association are set out in the Corporate Governance Statement.

Details of Directors' remuneration are disclosed in the Remuneration Committee report.

Employees

The Company has grown to having 6 employees and 4 non-executive Directors at financial year end.

As a smaller company the Directors recognise the benefits of diversity of skills, experience, background, gender and other qualities in the Company's employees. We are committed to reflecting diversity in its broadest sense, while ensuring that we maintain the necessary skills and experience required to oversee the significant financial service activities and related requirements of the Group. In reviewing the Company's employment requirements, candidates are considered on merit against objective criteria and with due regard for the benefits of diversity. The Company has a Diversity Policy, the aim of which is to ensure that the percentage of women or men employed by the Company remains at or exceeds 30%. At the end of the financial period of the Company's employees and officers (including independent non-executive directors) 30% were women, and 33% of the Company's employees were women.

All employees receive both death in service and long-term disability insurance, as well as health insurance for them, their spouses and dependents under the age of 18, similar to the executive directors. The employee pension benefits contributed by the Company are 15% for each employee, including executive directors. The Directors may, with the approval of the Remuneration Committee, propose that employees receive a bonus for outperformance. Employee membership of the Company's Long Term Incentive Plan will be expanded in 2020.

Shareholders

The Directors welcome the opportunity to meet with the Company's shareholders both at AGM, EGM and at informal meetings. All directors attended the 2019 AGM and EGM to meet with shareholders and the Executive Directors conducted shareholder meetings following release of the 2018 Annual report, the 2019 Interim report and before the Company's capital raising in July and December 2019. At each quarterly Board meeting (and at ad-hoc Board meetings if merited) the Executive Directors brief the non-executive Directors on current and potential shareholders' views on the Company's performance, strategy and results. The Company's broker Goodbody Stockbrokers provided written feedback from current and prospective shareholder meetings that is shared directly with the Board. Garry O'Dea as Senior Independent Director remains a point of contact for shareholders who wish to speak directly with the non-executive Directors.

Environmental

The Company expects to publish targets for improvements in energy efficiency, GHG emission and improvement in recycling by the date of the interim Report in June 2020. For these to be meaningful the baseline measurements need to be accurate and to that end the Company is ensuring there is measurement across all of the Company's buildings, but the Company is also engaged with the installation of intelligent measurement and analytical systems which will track usage and system efficiency both at a landlord and tenant level to the benefit of both. At present the Company is too small in capital terms to be considered for GRESB membership but provided the Company grows to sufficient size it will target a private submission of data by the end of 2021 with a target of full membership by 2022.

Directors' Report (continued)

REIT status

The Company elected for REIT status in May 2018 under section 705 E of the Finance Act, 2013. As a result, the Company does not pay Irish corporation tax on the profits and gains from the qualifying rental business in Ireland from that date, provided it meets the conditions.

As an Irish REIT, the Company is required to distribute to its shareholders (by way of dividend), on or before the filing date for its tax return for the accounting period in question, at least 85% of the Property Income of the Property Rental Business arising in each accounting period (provided it has sufficient distributable reserves). Failure to meet this requirement will result in an Irish REIT incurring a tax charge calculated by reference to the extent of the shortfall in the dividends paid. The Company was in compliance with all the above REIT requirements for financial year ended 31 December 2019. The Company is required by the REIT rules to be listed on the regulated market of a recognised exchange by May 2021. It is not currently listed on a regulated market of a recognised exchange but has plans to ensure this is effected before May 2021.

Financial Risk Management

The financial risk management objectives and policies of the Company are set out in Note 28 to the consolidated financial statements.

Going Concern and the Viability Statement

In accordance with the relevant provisions of the UK Corporate Governance Code and the Irish Corporate Governance Annex, the Board has taken account of the principal risks and uncertainties, as set out below, in considering the statement to be made regarding the going concern basis of accounting and the Viability Statement. These statements are as follows:

Going Concern

The Company has a geographically spread portfolio of commercial properties with close to full occupancy (current levels of vacancy total 7.4% by the external valuer's estimated rental value) across the portfolio and a low level of Loan to Value gearing of 18% as at 31 December 2019. The Company has good visibility of its future cash inflows from rental income from its tenants, and of its cash outflows on expenses. Having assessed the relevant business risks the Directors believe that the Company is well placed to manage its business risks successfully.

The Directors believe that the Company has adequate resources to continue in operation for the foreseeable future and that it is appropriate to continue to adopt the going concern basis in preparing their Report and Consolidated financial statements.

Viability Statement

The period over which the Directors consider it relevant and appropriate to report on the Company's viability is the three years period to 31 December 2022. This period has been selected because it is the period that is used and reviewed quarterly for the Company's medium-term business plans. The assumptions behind these forecast cash flows and covenant compliance forecasts were stressed to review the strength of the Company in the light of the Company's principal and emerging risks. The key stresses assumed were falls in the value of the Company's property portfolio and falls in the Company's revenues. The principal risks and uncertainties summarise those matters that the Board believes might in the Board's view inhibit the Company's ability to achieve its investment objectives.

The Directors paid particular attention to the risk of a deterioration in economic outlook and the potential impact of Brexit, which would impact property fundamentals, including occupier demand and profitability, which would have a negative impact on valuations and rental income, and the impact that this would have on financing covenants and compliance with the REIT regime. The remaining principal risks, whilst potentially injurious on the Company's business model, are unlikely to impact the Company's viability over the three-year period to 31 December 2022.

Having considered the forecast cash flows and covenant compliance and the impact of the stressed risks, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period ending 31 December 2022.

Corporate Governance

For the year from the 1 January 2019 to 31 December 2019, the Company's corporate governance practices were governed by the relevant requirements and procedures as set out by the Irish Corporate Governance Annex ("Irish Annex") and the 2018 UK Corporate Governance Code ("UK Code"), (collectively known as the "Codes") and its Articles of Association. The Board confirms that the Company has complied with all provisions of the Codes during the period from 01 January 2019 to 31 December 2019, with the exception of harmonisation of employee pension rates, which was effected during the year. Details of the Company's compliance with the Codes are in the Corporate Governance Report.

Directors' Compliance Statement

The Directors have, with the assistance of advisers, identified the relevant obligations, as required by the Companies Act 2014, that they consider apply to the Company. The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations and confirm that they have:

- Drawn up a compliance policy statement setting out the Company's policies in respect of compliance with its relevant obligations;
- Ensured that appropriate arrangements and structures have been put in place that are designed to ensure
- Conducted a review, during the year from 1 January 2019 to 31 December 2019, of the arrangements and structures that were put in place to secure material compliance with the Company's relevant obligations.

Accounting records

The Directors are responsible for ensuring that adequate accounting records, as outlined in sections 281 to 285 of the Companies Act 2014, are kept by the Company. The Directors believe that they have complied with this requirement by providing resources to maintain adequate accounting records. The accounting records of the Company are maintained at the Company's office, Pembroke House, 28-32 Pembroke Street, Dublin 2, Ireland.

Principal Subsidiaries and Joint Ventures

Details of the Company's principal subsidiaries and joint venture are set out in Note 16 to the financial statements.

Political donations

There were no political donations made by the Company.

Branches

The Company does not have any branches outside the Republic of Ireland.

Audit Committee

The Directors have established an Audit Committee in compliance with the Codes and section 167 and section 1551 of the Companies Act 2014 to assist with certain responsibilities relating to internal controls, risk management and reporting.

Independent auditor

The statutory auditor, Deloitte Ireland LLP, Chartered Accountants ("Deloitte"), was appointed on the 9 April 2018 and continues in office in accordance with section 383 (2) of the Companies Act 2014 and have indicated their willingness to continue in office. A resolution to re-appoint Deloitte was proposed and passed at the first AGM of the Company in 2019. A resolution to re-appoint Deloitte will be proposed at the 2020 AGM of the Company.

Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditor is aware of that information. Insofar as they are aware, there is no relevant audit information of which the Company's statutory auditor is unaware.

This Directors' statement was approved by the Board of Directors on 23 April 2020 and is signed on their behalf by:

Jonathan Laredo
Chief Executive Officer

Charles Peach
Chief Financial Officer

Directors’ Responsibility Statement

The Directors, whose names and details are listed on page 44 and 45 are responsible for preparing the Annual Report and Consolidated financial statements in accordance with applicable laws and regulations.

Irish Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards as adopted by the EU (“IFRSs”).

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 assets, liabilities and financial position of the Group and Company as at the financial period end date and of the profit or loss of the Group for the financial period and otherwise comply with the Companies Act 2014.

In preparing the Annual Report and Group and Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State that Group and Company financial statements comply with applicable International Financial Reporting Standards as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements, and ensure the financial statements contain the information required by the Companies Act 2014; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are also required by the Rules of the Central Bank of Ireland, the Companies Act 2014, the AIM Rules for Companies issued by the London Stock Exchange and the Enterprise Securities Market Rules for Companies issued by Euronext Dublin (formerly the Irish Stock Exchange), to prepare a Directors’ report and reports relating to Directors’ remuneration and corporate governance and the Directors are required to include a management report containing, amongst other things, a fair review of the development and performance of the Group’s business and of its position and a description of the principal risks and uncertainties facing the Group.

The Directors are responsible for ensuring that the Group and Company keeps or causes to be kept adequate accounting records which:

- Correctly explain and record the transactions of the Group and Company;
- Enable at any time the assets, liabilities, financial position and profit or loss of the Group and Company to be determined with reasonable accuracy;
- Enable them to ensure that the financial statements and Directors’ report comply with the Companies Act 2014; and
- Enable the financial statements to be audited.

Directors are also responsible for safeguarding the assets of the Group and the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of certain corporate and financial information included on the Group's website (www.ygreit.com).

The Directors confirm that they have complied with the above requirements in preparing the Annual Report and Consolidated financial statements.

Each of the Directors, whose names and functions are listed on page 44 and 45, confirms that, to the best of each person's knowledge and belief that: The Annual Report and Consolidated financial statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the position and performance, strategy and business model of the Group and Company.

This responsibility statement was approved by the Board of Directors on 23 April 2020 and is signed on their behalf by:

Jonathan Laredo
Chief Executive Officer

Charles Peach
Chief Financial Officer

Corporate Governance Statement

For the period from 1 January 2019 to 31 December 2019, the Company's corporate governance practices were governed by its Articles of Association. The Board has decided to apply by the relevant requirements and procedures as set out by the Irish Corporate Governance Annex ("Irish Annex") and the 2018 UK Corporate Governance Code ("UK Code"), (collectively known as the "Codes").

Statement of Compliance

The Board confirms that the Company has complied with all the provisions of the Codes during the period from 01 January 2019 to 31 December 2019 with the exception of harmonisation of all employee pension rates from 10% to 15% of salary to match Directors' pension rates, which was effected during the year.

The Role of the Board of Directors

The role of the Board is to set the strategic objectives for the Group, to monitor the achievement of these strategic objectives, and to determine the nature and extent of the principal risks it is prudent to take in achieving these strategic objectives. The Board is also responsible for monitoring and reviewing the effectiveness of the Group's risk management and internal control systems and maintaining a high standard of corporate governance. The Board is responsible for ensuring the accuracy of financial and business information provided to shareholders and for ensuring that such information, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy.

The Directors' promotion of the Company is made fairly with regard to the Company's positioning, employees, environment, employees and business relationships. The Directors have reviewed three-year projections of the Company's performance at their quarterly board meetings and annual strategy meeting in order to see the consequences of their decisions. The Company runs corporate performance scenarios to seven years in order to show a longer-term outlook. The Company has relatively few employees and all employees report directly to a Director. All employees participate in weekly calls to discuss the Company's business, position, structure and operational effectiveness This close working relationship between employees and the presence of the three executive Directors on the Board allows the Directors' efforts to promote high standards of business conduct to be clearly measured and effected, and provides all employees with a direct channel to the Board. As the Company has relatively few employees the Directors ensure that the Company's business relationships, whether with service providers, tenants or others are nurtured and all these understand the Company's business, objectives and their part in it.

As at the date of this Report, there are seven (7) Directors on the Board, all of whom have been Directors from the date of Admission. The Board does not have any planned changes to its structure or size. While not required to by the UK Code as a smaller company, the Company ensures that at least half of the Board (excluding the Chair) is made up of independent non-executive directors (three) in accordance with the UK Code. The number of non-executive directors ensures that each non-executive sits on two or three of the Board's Committees, all of which have a majority of (or only include) independent non-executive directors. The Board has sufficient members to provide relevant experience in the areas of particular importance to the Company. These are property investment, capital markets, Irish foreign direct investment, property development, financial management, property management and asset management experience. The wide range of these experiences has dictated the size of the Board. In reviewing the Board composition and appointments, candidates are considered on merit against objective criteria and with due regard for the benefits of diversity. The Board has a Board Diversity Policy, the aim of which is to ensure that the percentage of women on the Board achieves or exceeds 30%. The percentage is currently 14%. Barry O'Dowd (the Chair), Eimear Moloney, Garry O'Dea and Brian Owens are independent non-executive directors. The Chief Executive Officer, Jonathan Laredo, the Chief Financial Officer, Charles Peach and the Chief Investment Officer, Michael Gibbons are executive directors.

Corporate Governance Statement (continued)

The biographies of each of the Directors is set out below:

Barry O'Dowd

(Chair, Independent Non-executive Director)

Mr O'Dowd was appointed as Chair of the Company on 8 June 2018 and is also Chair of the Nomination Committee. Mr O'Dowd was Senior Vice President of IDA Ireland until retiring from that role in 2018. At IDA Ireland he was Global Head of two key operating divisions, Emerging Business (2010 – 2018) and New forms of Investment (2015-2018). From 2005 to 2009 he led the Pharmaceutical & Biotechnology Department. Before joining IDA Ireland he was Director of Strategy and Business Development at Organon International between 2002 and 2005. Mr O'Dowd is a Member of the Institute of Directors of Ireland, holds an MSc (Management) from Trinity College, Dublin and is a qualified Barrister at Law from University College Dublin & Kings Inns.

Garry O'Dea

(Senior Independent Non-executive Director)

Mr O'Dea was appointed as a Director of the Company and Senior Independent Director on 8 June 2018. He is Chair of the Audit Committee. Mr O'Dea is a former Finance Director of Irish Continental Group plc ("ICG"), a position he held from 1988 until his retirement in 2015. Prior to joining ICG, he worked in a number of financial roles at CRH plc. Mr O'Dea is currently an independent trustee of the RTE Superannuation Scheme. Mr O'Dea qualified as a Chartered Accountant with KPMG and is also a member of the Institute of Directors in Ireland.

Eimear Moloney

(Independent Non-executive Director)

Ms Moloney was appointed as a Director of the Company on 8 June 2018. She is Chair of the Remuneration Committee. Ms Moloney was, until December 2017, a Senior Fund Manager at Zurich Life Assurance Ireland plc where she had responsibility for equity and regional asset allocation. She has also held responsibility for sector and stock selection in a number of investment markets including the United Kingdom, Ireland and the United States. She is currently a non-executive director of Hostelworld Group plc, and a member of the Institute of Directors in Ireland. She is a Chartered Accountant and holds an MSc in Investments and Treasury from Dublin City University.

Brian Owens

(Independent Non-executive Director)

Mr Owens was appointed as a Director of the Company on 8 June 2018 and is Chair of the property Valuation Committee. Owens is a 30 year veteran of the Irish real estate industry prior to which he worked with Deloitte. He is a partner in Beresford Real Estate, an investment and advisory real estate firm having recently stepped down as Chairman and Chief Executive of Hardwicke Property Group, a position he held for the past 18 years. Mr. Owens is a Fellow of Chartered Accountants Ireland as well as being a member of the Society of Chartered Surveyors Ireland and the Royal Institution of Chartered Surveyors.

Jonathan Laredo
(Chief Executive Officer)

Mr Laredo has over 30 years' experience in investment markets, including running the European and Asian structured finance business at JP Morgan, where amongst other business he was responsible for Commercial Mortgage Backed Securities including both securitised debt issuance and direct lending to real estate based private equity. Mr Laredo was one of the founders and was the CEO of Solent Capital Partners, a hedge fund founded in 2003. He was one of the owners and a director of the Pepper Group, an Australian based mortgage lender and servicer which built the largest third-party servicing business in Ireland. He graduated with a BA (Hons) in Philosophy from Sussex University. Mr Laredo was a co-founder of the Yew Tree Investment Fund (which was acquired by Yew Grove REIT plc at IPO) and a member of Parapet Capital Advisors' management team during the time it acted as investment adviser to the Yew Tree Investment Fund's Alternative Investment Fund Manager. He was also responsible, along with the other members of the Executive Management Team, for the construction of the Seed Portfolio. He became a director of the Company on incorporation on 5 April 2018 and was appointed to his current role on 8 June 2018.

Charles Peach
(Chief Financial Officer)

Mr Peach has over 25 years' experience in investment markets, structuring and raising capital for companies and funds. He started his career with Bear Stearns' FAST (Financial Analytics and Structured Transactions) group for seven years, followed by five years with Nomura's Exotic Credit Trading Group. At Nomura he developed and ran managed vehicle issuance and risk management programmes. As well as raising and structuring financing for funds and corporate borrowers, he has advised pension schemes and banks on their funding requirements and strategies. Mr Peach was a co-founder of the Yew Tree Investment Fund and a member of Parapet Capital Advisors' management team during the time it acted as investment adviser to the Yew Tree Investment Fund's Alternative Investment Fund Manager ("AIFM"). He was also responsible, along with the other members of the Executive Management Team, for the construction of the Seed Portfolio. He graduated with an MA (Hons) in History of Art from the University of Aberdeen. He became a director of the Company on 20 April 2018 and was appointed to his current role on 8 June 2018.

Michael Gibbons
(Chief Investment Officer)

Mr Gibbons has over 27 years' experience in investment markets and has run high yield, distressed debt and special opportunities businesses. He started his career in corporate finance at Bankers Trust International then spent seven years in Asia where he built Sumitomo Finance's capital markets business spanning new issues to secondary trading activity. He subsequently worked for Commerzbank, BNP Paribas, Aladdin Capital Management LLP and distressed specialist Guy Butler, moving back to Ireland in 2014. From 2008 to 2011 he was a member of the international advisory board of Parker Green International. He graduated with a BComm from University College Dublin and a Diploma in Accounting from Queens University. Mr Gibbons was a co-founder of the Yew Tree Investment Fund and a member of Parapet Capital Advisors' management team during the time it acted as investment adviser to the Fund Yew Tree Investment Fund's Alternative Investment Fund Manager. He was also responsible, along with the other members of the Executive Management Team, for the construction of the Seed Portfolio. He became a director of the Company on 20 April 2018 and was appointed to his current role on 8 June 2018.

Corporate Governance Statement (continued)

As required by the UK Code, specific areas of delegation are set out in the terms of reference for each of the Audit Committee, Nomination Committee, Remuneration Committee, and Valuation Committee. The terms of reference of the Audit, Nomination, Remuneration and Valuation Committees are available on the Company's website at www.ygreit.com/investors/corporate-governance, and reports of each of these Committees are set out below. The Board reviews the Group's performance and management accounts on a quarterly basis. The executive directors have discretionary authority to enter into transactions for and on behalf of the Company, except for certain matters that require the consent of the Board. Unless required to be performed by the Company's AIFM as a matter of law or in order to respond to a bona fide emergency, the Board's prior approval is required by the executive directors for certain reserved matters, which include but are not limited to:

1. any acquisition/disposal of a property investment or the entry into any agreement to acquire /dispose of a property investment in excess of €5 million;
2. any new financing or refinancing agreements or arrangements;
3. any capital expenditure or pre-funding agreements in excess of €5 million;
4. any proposed lease surrender where the rent referable to the relevant lease is greater than 10% of the aggregate rental income of the Company or 25% of the aggregate rental income of the lease's property;
5. any proposed lease commitment where the area being leased exceeds 50,000 square feet;
6. any acquisition or the entry into any agreement to acquire any property investment through a joint venture or co-investment structure;
7. any hedging or use of derivatives;
8. the entry by the Company into any transactions for the purchase of assets from, or provision of services of a material nature by, any connected party.

Under the Company's corporate governance framework any matter which requires the consent or approval of the Board of the Company is considered at a Board meeting at which a quorum must be present or by way of written resolution of the Board.

The Schedule of Matters Reserved for the Board was reviewed prior to 31 December 2019 and will be reviewed annually and updated as appropriate.

General meetings

The Company has and will hold an Annual General Meeting ('AGM') in each year from 2019 in addition to any other meetings in that year. Not more than 15 months shall elapse between the date of one AGM and that of the next. The Company held an AGM on 24 May 2019. The Company will hold an AGM on 29 May 2020, notice of which, together with details of the resolutions to be considered at the meeting, will be circulated to the shareholders.

The Directors are responsible for the convening of general meetings. An annual general meeting and an extraordinary general meeting calling for the passing of a special resolution shall be called by at least twenty-one clear days' notice and all other extraordinary general meetings shall be called by at least fourteen clear days' notice (whether in electronic form or otherwise). No business other than the appointment of a Chair shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy shall be a quorum.

The Company's AGM affords shareholders the opportunity to question the Chair and the Board. The chairperson of the Audit, Nomination, Remuneration and Valuation Committees are also available to answer questions at the AGM. The Chief Executive will present at the AGM on the Company's business and its performance during the prior year and answer questions from shareholders.

Voting rights

a. Votes of members: votes may be given either personally or by proxy. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person and every proxy shall have one vote, so, however, that no individual shall have more than one vote, and on a poll every member shall have one vote for every share carrying voting rights of which he/she is the Holder. The Chair shall be entitled to a casting vote where there is an equality of votes.

b. Resolutions: resolutions are categorised as either ordinary or special resolutions. The essential difference between an ordinary resolution and a special resolution is that a simple majority of more than 50% of the votes cast by members voting on the relevant resolution is required for the passing of an ordinary resolution, whereas a qualified majority of more than 75% of the votes cast by members voting on the relevant resolution is required in order to pass a special resolution. Matters requiring a special resolution include for example:

- Altering the objects of the company;
- Altering or implementing new pre-emption rights;
- Market purchase of own shares and reissuing;
- Altering the articles of association of the company;

Committees of the Board

The Board has delegated certain of its responsibilities to Committees of the Board, namely the Audit Committee, Nomination Committee, Remuneration Committee, and Valuation Committee. The duties and responsibilities of each of these Committees are set out clearly in written terms of reference which have been approved by the Board and are available on the Company's website www.ygreit.com. Each Committee has reported separately on its activities. Membership and Chairship of each committee is reviewed by the Board at intervals of not more than three years.

Audit Committee	Garry O'Dea (Chair) Eimear Moloney Brian Owens
Nomination Committee	Barry O'Dowd (Chair) Eimear Moloney Jonathan Laredo[1]
Remuneration Committee	Eimear Moloney (Chair) Garry O'Dea
Valuation Committee	Brian Owens (Chair) Barry O'Dowd Jonathan Laredo[1]

1 Not an independent Director

The Chairs of each of the Committees have reported separately on their Committees' responsibilities and activities during the reporting period.

Board Meetings

The Board met four (4) times as below in the period from 1 January 2019 to 31 December 2019 (the Board convened an additional strategy meeting and multiple times throughout the year to review matters reserved for the Board) and will meet at least four (4) times each following calendar year and, prior to such meetings taking place, an agenda and board papers are circulated to the Directors so that they are adequately prepared for the meetings. The Company Secretary is responsible for the procedural aspects of the Board meetings.

Directors are expected to participate in all scheduled Board meetings as well as the AGM. A schedule of Board meetings is circulated to the Board before period end for the following year. The Board and Committee papers are circulated sufficiently in advance of each meeting to allow the Directors and Committee members to properly prepare for the meetings. From time to time the Board and Committees may be required to convene ad-hoc meetings but appropriate notice is given and relevant papers are circulated in advance. Standing items at quarterly Board meetings include management accounts for the previous quarter, a review of budgeted and actual performance, compliance reporting, portfolio and pipeline reporting and other operational reports.

Corporate Governance Statement (continued)

Attendance at Meetings, 1 January 2019 to 31 December 2019

The table below shows the number of meetings to which each Director was invited, followed by the number of meetings attended by the Director in the period:

	Quarterly Board Meetings	Ad Hoc Board Meetings	Board Strategy Meeting	Audit Committee	Nomination Committee	Remuneration Committee	Valuation Committee
Barry O'Dowd	4/4*	11/11*	1/1*		1/1*		6/6
Eimear Moloney	4/4	11/11	1/1	4/4	1/1	2/2*	
Garry O'Dea	4/4	11/11	1/1	4/4*		2/2	
Brian Owens	4/4	11/11	1/1	4/4			6/6*
Jonathan Laredo	4/4	11/11	1/1		1/1	2/2~	6/6
Charles Peach	4/4	11/11	1/1	4/4~			
Michael Gibbons	4/4	11/11	1/1				6/6~

*Chair
~Invited, not a Committee member

All committee members were appointed to their respective committees on 8 June 2018, except for the Valuation Committee, which Jonathan Laredo became a member of on 2 August 2018 and the Audit Committee which Eimear Moloney became a member of on 21 August 2018. Directors may request that any relevant concern they have be considered and minuted at any Board or Committee meeting, and minutes are circulated for review in advance of approval and signing at the next meeting, or as appropriate.

Chair

The Chair, Barry O'Dowd, is an independent non-executive director. The Board believes that the Chair meets all the criteria in the Codes and is demonstrably independent in character and judgement in his role. The Chair's primary responsibility is to lead the Board and to ensure it and its members are both effective and provide good governance. The Chair additionally is responsible for monitoring and measuring performance against strategy. The Chair will meet shareholders from time to time and intends to do so at the Company's AGM and as part of results presentations, in order to understand their views. He also makes himself aware of shareholder views through feedback and reporting provided by the Company's brokers.

Before the beginning of each calendar year and following consultation with the Company Secretary and other Directors, the Chair and the Chairs of the Board Committees set a schedule of Board and Committee meetings, with key agenda items, for the following year. The Chair also leads the Company's strategy session held in each calendar year, in conjunction with the Chief Executive.

There have been no changes to the other significant commitments of the Chair since 1 January 2019, and the other non-executive directors have informed the Board that there have been no additional significant commitments undertaken by them since admission which require notification to the Board. The Chair ensures all directors are furnished with the information necessary to assist them in the performance of their duties.

The Senior Independent Director

The Senior independent director Garry O'Dea is an independent non-executive director. His role includes acting as an advisor to the Chair and as an intermediary for the Directors, providing an alternate point of contact from the Chair and CEO for shareholders, and discussing the Chair's performance with other Directors.

Board Strategy

The Board receives regular updates on the Company's achievements in light of its strategy, as well as reviewing the Company's performance against key metrics and investment objectives. The Board held a dedicated strategy review meeting in November 2019, attended by all Board members, at which the strategy was reviewed for market validity, appropriateness and viability, following which the strategic priorities for the Company were confirmed.

Information and Support

Directors have access to the Company Secretary and, where appropriate, are entitled to have access to independent professional advice at the expense of the Company. The Committees of the Board are provided with sufficient resources to undertake their duties. The Company provides appropriate Directors' and Officers' insurance in respect of legal action against its directors.

As required by the Codes, the Chair has held meetings during the financial period with the non-executive Directors without the presence of the executive Directors.

Appointments to the Board

The Directors were all selected to bring in a range and depth of knowledge, skills and business experience to the Company. All serving members of the Board have been in place since Admission. The Nomination Committee is responsible for leading the process for Board appointments and is comprised of a majority of independent non-executive directors. The criteria that it applies when selecting potential candidates include experience and knowledge of the Irish commercial real estate sector, strong financial skills, general business experience, professional background and likely availability, and a need for balance and diversity, including gender, on the Board. At least half of the Board are independent non-executive directors (excluding the Chair). All non-executive directors were appointed for a term of three years and, subject to continued satisfactory performance, all directors will be submitted for reelection at the Company's AGM in 2020, in accordance with the Company's Articles of Association and the provisions of the Codes. Accordingly, all Directors will seek re-election at the Company's forthcoming AGM on 29 May 2020.The terms and conditions of appointment of all directors are set out in letters of appointment which will be made available at each AGM.

Induction and Development of Directors

All new independent directors receive induction training on joining the Board and are invited to visit part of the Company's portfolio as soon as possible following their appointment to gain first hand understanding of examples of the implementation of the Company's strategy, property management, operations and tenant relations. The independent directors also receive presentations from the executive management and the Company's advisors on matters relevant to the Company's business. The Nomination Committee, on behalf of the Board, assesses the training needs of the directors on at least an annual basis.

The Chair also considers the training needs of directors, in conjunction with individual directors, and has concluded that those needs are adequately met.

Communications with Shareholders

The Board acknowledges the importance of and welcomes feedback and all effective communications with shareholders. The Board is responsible for ensuring that a satisfactory discourse with shareholders takes place and that the Company maintains open, twoway lines of communication with shareholders. It is important to the Board that shareholders understand the Company's strategy and objectives, which the Board works to ensure are clearly explained and articulated.

The Company formally updated the market on its financial performance with half year and full year results. Presentations are made to both existing and prospective institutional shareholders, principally after the release of the interim and annual results but also as part of investor days organised by brokerage firms.

Major acquisitions are also announced to the market and the Company's website (www.ygreit.com) provides the full text of all stock exchange releases. The website also contains all interim reports and Reports when they are published. The Chair, in line with the Codes, will, as required, ensure that the views, issues and concerns of major shareholders are communicated to the Board so that appropriate action can be taken if required. The

Corporate Governance Statement (continued)

Chair and the other directors took the opportunity to meet shareholders and analysts at the Company's AGM and EGM in 2019. No Board recommendation at the AGM or EGM had 1% or more of votes cast against it. If shareholders would like to communicate directly with the Board, they should contact Jonathan Laredo, contact details for whom are available from the Company's website. The Senior Independent non-executive Director, Garry O'Dea, is also available to shareholders who may have concerns which they would like to bring to his particular attention.

Stakeholder engagement

The Board is responsible for promoting the success of the Company while having regard to the consequences of their and the Company's actions on all its stakeholders, both currently and in the future. All Directors are conscientious about our responsibilities and duties to our stakeholders under section 172 of the Companies Act 2006. The Board and each Director is required to:

- Take a long-term view of their actions as Directors. While the Directors review three-year projections at quarterly board meetings, at the strategy meeting in 2019 this time horizon was extended, and multiple scenarios and projections were illustrated to ensure while the Company is still young a longer-term strategic view is taken.
- Foster direct contact with all employees as each employee reports to and is formally reviewed by a Director. There has been no employee turnover in the Company's existence.
- Be aware of the number of out-sourced roles and counterparties the Company requires to operate effectively in its chosen manner. The Directors are aware of the importance of these shareholders to the Company, and the need to cultivate relationships with them.
- Set and improve the Company's sustainability policy and take decisions with regard to the impact the Company has on the environment and its community.
- Responsibly set and demonstrate the key principles and culture of the Company. The Company has a number of formal policies to ensure the members of the Company are treated fairly and without discrimination.

Share Dealings

The Market Abuse Regulation (Regulation 596/2014 of the European Parliament and the Council of the European Union) contains rules requiring listed companies to have effective systems and controls regarding persons discharging managerial responsibilities ("PDMRs") securities dealing clearance. The Board has put in place securities dealing rules which apply to the directors and relevant employees of the Company and any of its affiliates (and certain persons connected with such persons). The securities dealing rules set out the preclearance approval procedures to be adhered to when dealing in the shares of the Company and also set out periods in which share dealings are prohibited.

Details of each director's interests in the Company's shares at 31 December 2019 are set out as below:

	Number of shares	Issued Capital
Barry O'Dowd	50,309	0.05%
Eimear Moloney	70,773	0.06%
Garry O'Dea	75,773	0.07%
Brian Owens	70,773	0.06%
Jonathan Laredo	2,575,369	2.31%
Charles Peach	277,213	0.25%
Michael Gibbons	2,052,544	1.84%

Independence

In accordance with the principles of the Codes, the Company maintains a majority of independent non executive Directors on the Board. The independence of each non-executive Director is considered each calendar year by the Board. The Board determines whether each Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. The Board is satisfied that each of its designated independent non executive Directors, namely Barry O'Dowd, Eimear Moloney, Garry O'Dea and Brian Owens fulfil the independence requirements of the Codes. The Board is also satisfied that the other Directorships held by its Directors do not interfere with the discharge of their duties to the Company.

The Company has and continues to maintain a robust whistleblowing policy that allows Company staff or advisors to raise concerns about possible improprieties in financial reporting or any other activities of the Company.

Board Evaluation

The effectiveness and performance of the Board and its Directors, and of its Committees and their chairs, is evaluated annually by the Board. Paragraph 21 of the 2018 UK Code provides that the Company (also as a smaller Company for the purposes of the Irish Annex) is not required to be externally evaluated every three years, however the Company intends that an independent review by an independent outside expert should be conducted at least every three years.

The Board concluded a self-evaluation of its performance in late 2019, on the performance of the Committees and on the performance of the individual Directors including the Chair. The effectiveness of the Board, the Board committees and the individual Directors was reviewed and evaluated. The senior independent non-executive Director met with the non-executive Directors (other than the Chair) to appraise the Chair's performance, taking into consideration the views of the executive Directors. The Chair presented the results of the evaluation to the Board and did not identify any specific development needs for further action. The Nomination Committee separately reviews the composition and diversity of the Board.

Memorandum and Articles of Association

The Company's Memorandum and Articles of Association sets out the objects and powers of the Company and are available at http://www.ygreit.com/investors/company-documents/2018. The Articles of Association detail the rights attaching to shares, the method by which the Company's shares can be purchased or re-issued, the provisions which apply to the holding of and voting at general meetings and the rules relating to the Directors, including their appointment, retirement, re-election, duties and powers. The Directors are responsible for the management of the business of the Company and may exercise all the powers of the Company subject to applicable legislation and regulation and the Company's Articles of Association. The Company's Articles of Association may be amended by a special resolution passed by the shareholders at an AGM or EGM of the Company.

Purchase of own shares

The Company may purchase any of its own shares and any shares the Company purchases may be cancelled or held by the Company as treasury shares. The Company shall not make a purchase of shares in the Company unless the purchase has first been authorised by a special resolution of the Company. At the Annual General Meeting on 23 May 2019 the Company made a special resolution to permit the Directors to make market purchases not exceeding the lower of €75,000 nominal value and 10% of the aggregate nominal value of the then issued share capital. There have been no purchases of own shares made by the Company in the financial period and there were no shares owned in treasury at the end of the financial period.

Accountability report

In accordance with the Codes, the Board aims to present a fair, balanced and understandable assessment of the Company's position, performance, business model and strategy. The Board specifically considers that the Report and Consolidated financial statements, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy. The Board's opinion as to the validity of adopting the going concern basis of accounting in preparing the annual financial statements is included in their Directors' Report, as well as the basis by which the Company seeks to generate or preserve value over the long term.

Risk Management and Internal Control

The Board has overall responsibility for the implementation and success of the Company's system of internal control and risk management. The Board has delegated responsibility for the monitoring of the effectiveness of this system to the Audit Committee. In accordance with the "Guidance on Risk Management, Internal Control and Related Financial and Business Reporting" issued by the Financial Reporting Council in September 2014, the Board confirms that there is an ongoing process for identifying, measuring and managing the significant risks and emerging risks faced by the Company in achieving its strategic objectives, that this process has been in place from 01 January 2019 and up to the date of this report, and that this process is regularly reviewed by the Board. The Board and the

Corporate Governance Statement (continued)

Audit Committee have developed, documented and maintain a robust risk identification, management and internal control framework and periodically review and consider if the systems are operating effectively. The Chair of the Audit Committee reports to the Board during the financial period on the Committee's activities regarding risk management and internal control. The Audit Committee reviewed the risk register and risk management policy and recommended it for adoption by the Board. The Company's risk management policy and risk register identify the principal risks and emerging risks facing the Company and assess the controls in place to mitigate those risks and the procedures in place to monitor them. This process is designed to manage rather than eliminate the risk of failure to achieve the Company's business objectives and can only provide reasonable, but not absolute, assurance against material loss or misstatement. The principal risks facing the Company and the means for their management and mitigants are included in the Principal Risks and Uncertainties.

Code Compliance

The Directors are committed to maintaining high standards of corporate governance and this Corporate Governance Statement describes how the Company has complied with all provisions of the Codes in the period from 01 January 2019 to 31 December 2019 with the exception of harmonisation of employee pension rates, which was effected during the year. The Board have reviewed the UK Corporate Governance Code 2018 and has adopted its principles.

AGM

The AGM of the Company will take place at 12 p.m. on 29 May 2020. The Report and Consolidated financial statements and Notice of the AGM will be sent to shareholders at least 20 working days prior to the date of the meeting. The Notice of the AGM sets out the business of the meeting and an explanatory note on all resolutions to be considered at the meeting. Separate resolutions will be proposed on each substantive issue. All shareholders will have the opportunity to attend and vote, in person or by proxy, at the AGM. The Chair, the Chair of each of the Committees and the three Executive Directors will be available at the AGM to answer shareholders' questions.

Results of resolutions proposed at the AGM will be published on the Company's website www.ygreit.com following the AGM.

Jonathan Laredo
Chief Executive Officer

Charles Peach
Chief Financial Officer

Principal Risks and Uncertainties

The Company's Board has overall responsibility for the establishment and oversight of the Company's risk management framework to ensure that its strategy can be successfully implemented. The Audit Committee is responsible for developing and monitoring the Company's risk management policies, as set out in the governance statement. Risk management policies are established to identify and analyse the risks and emerging risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. All of these policies are regularly reviewed in order to reflect changes in the market conditions and the Company's activities.

The Company's risk register, reviewed by the Audit Committee, records key risks and emerging risks across the Company's current and future investment, operations, IT, governance, economic and strategic areas of activity. The register assesses the likelihood and impact of risks as well as their direction in order to monitor progress in managing and mitigating them. A register of errors and breaches is also maintained and no material breaches were noted during the financial period.

The Board

The Board has overall responsibility for maintaining and monitoring the Group's systems for risk management and internal control. The Board reviews and approves the risk appetite of the Company.

The Audit Committee

The Board has charged the Audit Committee with reviewing the adequacy and effectiveness of the Company's internal control (including financial control) and risk management systems. The Audit Committee assesses management's risk measurement and control.

Executive Management

Executive management have day to day responsibility for ensuring the Board's strategy with regards to risk management, measurement and reporting is implemented. In addition, they identify and provide assessment of current and future risks the Company may face for the Board's review.

Internal Audit

The Audit Committee considers the nature, scale, complexity and range of operations of the Company, including its external administrator structure for the first ten months of the period in relation to financial reporting.

During the period the company internalised the finance function that had previously been provided by the Administrator. As part of this process, the required internal controls and segregation of duties were put in place. In order to reduce the risks surrounding the transfer of the finance function to the internal finance team the company ran parallel accounting records with the Administrator for the months of August, September and October 2019. Reviews were completed during this period to ensure that the internal finance team have the capabilities to maintain the accounting records of the company, following which the Administrator resigned on 31 October 2019. The internal finance team have assumed the Administrator's role and now ensures that reporting to the Audit Committee and the Board is adequate, accurate, and timely.

The internal finance team maintains internal control processes, disaster recover processes and a business continuity programme which is reviewed on a regular basis. Based on the Committee's assessment of the foregoing controls within the Company, combined with the current size of the Company, the Audit Committee has recommended to the Board that it does not believe it is necessary to establish an internal audit function at this time. The Board concurs with the Audit Committee's recommendation not to establish an internal audit function for the Company at this time. The Audit Committee will continue to review this position annually and make appropriate recommendations to the Board.

The Company's assets are primarily office and industrial commercial properties in the Republic of Ireland. The principal risks it therefore faces are related to the Irish commercial property market in general, the Company's operating environment and individual properties and tenants. The Board has carried out a robust assessment of the principal risks and sets out below the principal risks and uncertainties that the Company is exposed to and that may impact performance in the coming financial year. These risks have been assessed in light of known information about the Covid-19 pandemic at the date of this report. The Company proactively identifies, assesses, monitors and manages these risks. Some risks are not yet known and some that are not currently deemed material may turn out to be material in the future. The material risks and uncertainties identified, along with their strategic impact on the business and mitigating factors, have been outlined.

Identified Risk	Impact on the Company/ Property market	Mitigating activities	Momentum
Key Macro economic risks			
Weakening economy	Weakening global and/or national economy puts pressure on rents and tenants. Fall in availability of debt financing. Fewer buyers for the REIT's properties	The REIT assets are judged on the quality and local grounding of tenants and prospective tenants. Targeted properties are majority tenanted by stronger tenants with demand and businesses not just dependant on the local economy. Tenant behaviour following the economic downturn after of 2007/8 is reviewed to indicate correlation with macroeconomic weakness	Increasing
Weak Foreign Direct Investment demand due to macro-economic factors	Risk of falling demand from Foreign Direct Investment tenants	The Company's acquisition policy requires alternative use planning. The Company monitors and aims to understand Foreign Direct Investment trends in advance.	Increasing
Covid-19	Risk that Covid-19 continues to adversely affect the Company's economic environment	The Company's revenues are predominantly stronger FDIs and the Irish government. The Company follows its tenant corporate strength and payment behaviour closely. The Company will continue to avoid retail and weaker credit tenancies.	Increasing
Brexit	Weakening Irish economy puts pressure on rents and tenants, in the event of a hard Brexit there is the possibility that the border between the Republic of Ireland and Northern Ireland becomes a hard border	The key risk areas by sector (agriculture, food manufacture) are avoided in the REIT portfolio. Tenants are assessed on the volume of their sales to the UK or supplies from the UK at rental or acquisition. Targeted properties are majority tenanted by stronger tenants.	Increasing
Interest rate risk – rising rates	Debt facility costs based on Euribor may increase with an adverse effect on dividend payments.	The Company will seek to mitigate the impact of interest rate rises on any future debt facility. The Company's finance manual includes mitigating policies for hedging interest rate risk.	Stable

Principal Risks and Uncertainties (continued)

Identified Risk	Impact on the Company/ Property market	Mitigating activities	Momentum
Key Property related risks			
Valuation of Company Assets	Property assets outside the Dublin Central Business District may lack recent comparable transactions or benchmarks for an external valuer to use in valuation.	The Company has a separate Valuation Committee to ensure the most capable valuers are used. The Valuation Committee can change the valuer and use more than one valuer for the portfolio. The property team keep a record of comparables from acquisition to share with the valuer.	Stable
Property concentration	Aggregation of property location, tenant, building use and tenant sectors may expose the Company to increased risk	The Company's investment committee reviews each asset individually and against the aggregated portfolio on purchase or later significant capital expenditure. The Company seeks to maintain a suitably diverse portfolio of properties and tenants, paying regard to the tenant's credit quality. Significant purchases, lease amendments or capital expenditure are matters reserved for the Board.	Stable
Tenant payment behaviour	Risk that the Company's current or future tenants fail to make payments due in a full or timely manner, which could affect the Company's dividends.	Tenants' covenant strength and prior rental performance is reviewed at purchase, the property management group conduct regular tenant meetings and tenant financial reviews.	Increasing
Tightening of rental yields	Risk the Company will not be able to invest capital at its expected rental yields	The Company's owned assets would reflect this tightening to help achieve NAV price targets. The Company's current portfolio is reversionary, which would be expected to support the company's rental income. The Company seeks to raise capital against identified assets to minimise the impact of lower rental yields on new investments.	Stable
Refurbishment – contractor failure and cost	Failing contractors may delay or increase the cost of refurbishment	The Company does not expect to undertake substantial refurbishment and then only with Board approval. The Chief Investment Officer's team would require competing bids, pre-set timelines and budgets to identify failings and replace contractors earlier.	Stable
Ineffective Asset Management	Risk that the Company's assets become less attractive to current and target tenants.	The Property management group establish early, on-going relationships with tenants to understand their accommodation needs. Each property has an asset management plan to ensure the tenant and Company work together in this regard. Asset management is reported weekly on all properties to the Executive Directors	Stable

Identified Risk	Impact on the Company/ Property market	Mitigating activities	Momentum
Key Operational Risks			
Inability to raise further debt or equity capital	Risk the Company will not be able to fund unexpected major capital expenditure. Risk the Company will not be able to achieve its growth strategy	The Company has leverage below the REIT ceiling. The Company has and will remain in contact with leverage providers to ensure leverage is available at attractive levels. The Investor relations policy has a calendar for capital raising ensuring the Company is regularly appraised of Investor interest and can target investors well in advance of the Company's immediate needs. The Company has raised equity capital twice in 2019, increasing the shares in issue by 49%, and debt capital once, increasing debt facility by 46%	Stable
Loss of key staff	Risk of Executive management resignation, illness or death	The Company has Executive management with significant personal investment in the Company with lock-ups expiring in June 2020, and a specifically judged remuneration scheme and Long Term Incentive Plan to encourage retention. Executive management and other key staff have non-compete clauses.	Stable
Regulatory, political, legislative, tax, environmental or planning changes	Risk of changing operating environment hurting returns and amending strategy	The Company has a strong Board with a mix of capital markets, property and audit experience to better be aware of and react to these changes. The Executive management have experience of managing through legislative and tax changes and relationships with suitable professionals for Company advice.	Increasing
Taxation planning	Emerging risk the Company may attract a tax charge if not listed on a recognised exchange within 3 years of IPO (May 2021)	The Company has established a plan to ensure it is listed on a recognised exchange in advance of the required date. Counterparties and advisers have been selected, draft timings and actions have been reviewed and agreed by the Board, who are updated by executive management.	Stable
Environmental change	Emerging risk that the Company's assets and operating or economic model may be adversely affected by climate change	The Company has established a Sustainability Policy and Sustainability Committee to ensure environmental risks are identified and mitigated. The Company measures and manages its properties' environmental impact directly.	Increasing
Corona virus spread	Risk that Covid-19 adversely affects the Company's tenants, employees and other stakeholders	The Company's employees have been isolated while social distancing is required and all have the ability to work remotely. The Company's tenants are monitored weekly at the date of this Report for the impact of the disease on their work environment and businesses by the property management group.	Increasing
Business interruption	Risk one or more environmental or other disturbances adversely affect the Company's physical operating environment	The Company has a robust business continuity plan. The Company's assets are geographically dispersed and diversified by tenant, type and use. All employees have the ability to work remotely.	Stable

Audit Committee Report

Dear Shareholder,

On behalf of the Audit Committee, I am pleased to present the Audit Committee's Report for the period from 1 January 2019 to 31 December 2019.

GARRY O'DEA
COMMITTEE CHAIRMAN

This report is intended to provide insight into our work and activities during the Committee's tenure as we discharge our responsibilities in relation to the integrity of the Company's financial reporting, the relationship with and independence of the external auditor and the effectiveness of the Company's internal controls and risk management system.

As part of our activities we have met regularly with the Management Team, Finance Team, the Administrator whilst in role and the external auditors. During this financial period the Company published its first Annual report, mid-year interim financial statements and internalised the Administrator's role.

We are satisfied that the Audit Committee has the right balance of skills and resources, has been able to work effectively and has received the support and response it has required from both management and the external service providers. We are also satisfied that the level of scrutiny of the Company's public announcements is sufficient and effective. There were no issues arising from this evaluation.

The Audit Committee is chaired by Garry O'Dea, who is the Senior Independent Director and an independent Non-Executive Director. He is considered by the Board to have recent and relevant financial experience and the necessary understanding of financial reporting and accounting principles. All the members of the Audit Committee are independent Non-Executive Directors, appointed by the Board on the recommendation of the Nomination Committee. They are appointed for a period of up to three years, extendable by no more than two additional three-year periods provided the member continues to meet the criteria for membership. A quorum consists of two Independent member Directors and all the members of the Committee are considered to have recent significant and relevant financial experience. The Committee brings experience in, among other areas, commercial property, capital markets and financial accounting, all of which are relevant to the sector the Company operates in. All members are in their first term, which started at Admission, 8 June 2018.

The Audit Committee is constituted in compliance with the Codes, section 167 of the Companies Act 2014 and the Company's Articles regarding the composition of the Audit Committee. The current Terms of Reference for the Audit Committee are published on the Company's website.

The Audit Committee meets regularly, in alignment with the financial reporting calendar. The Audit Committee was formed on 8 June 2018 and met four times in the period from 1 January 2019 to 31 December 2019. The Audit Committee requests the attendance of relevant other parties as required. The parties met were as follows:

Deloitte Ireland LLP as External Auditor	The independent external auditor attended to present its audit plans in respect of the annual audit and interim review, its analysis of the audit risks it sees in the Group, the results of an interim review, and its recommendations for improvements in systems and controls.
Baker Tilly as Administrator ("BT")	BT held the position of Administrator until 31 October 2019, after which date the role was internalised. The Administrator met the Committee to discuss its work, its interaction with the Company and any significant assumptions or matters in relation to the preparation of the Group's accounts.
Representatives of the Company	Representatives of the Company, principally the CFO and Financial Controller, met the Committee in order to present the financial statements, to discuss significant judgements and areas of uncertainty, the Group's risks and measures in place to mitigate risks, and any other matters as requested by the Audit Committee.

The Company Secretary acts as secretary to the Committee.

Role of the Audit Committee

The roles and responsibilities of the Audit Committee are summarised below. The full schedule of the roles and responsibilities are contained in the Committee's terms of reference, which are available from the Company's website www.ygreit.com.

Financial reporting	Monitoring the integrity of Group financial statements and any other formal announcements relating to the Group's financial performance, business model and strategy.
	Assessing whether the Report and Consolidated financial statements taken as a whole are fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.
	Evaluating the Group's accounting policies, any changes to them and their appropriateness.
	Reviewing and challenging judgements, estimates and assumptions made by the Group in its financial reports or announcements.

Audit Committee Report (continued)

External Audit	Overseeing the relationship with the external auditor, including selection, appointment, removal, terms of engagement, approval of remuneration, assessing independence and objectivity, assessing effectiveness of the audit process, and setting policy on the use of non-audit services.
Valuation	Monitoring and reviewing the property valuation process, taking into account the actions of the Valuations Committee.
	Reviewing the valuation methodology for non-property judgements.
Internal Audit	Reviewing the Group's requirement for an internal audit function.
	Assessing the need for additional internal audit review and reporting.
Risk Management and Internal Controls	Reviewing the principal risks facing the Group and recommending to the Board the Group's risk register and risk management systems.
	Reviewing the adequacy and effectiveness of the Group's system of internal financial controls and internal controls including implementation, relevance and any breaches of controls. Reviewing the Group's procedures for detecting fraud, and the systems and controls for the prevention of bribery. Performing an assessment of the Group's compliance with the Codes and other obligations.
Committee	Reviewing the Committee's Terms of Reference, composition and performance.
	Monitoring compliance with legal, listing, REIT rules and accounting standards.
	Reporting to the Board on fulfilment of its responsibilities.

Reporting

The Chairperson of the Audit Committee reports to the Board on the activities of the Committee. The Audit Committee's activities in the period from 1 January 2019 to 31 December 2019 are set out under each of the relevant headings below:

Compliance with Code

The Codes require that the Board should present a fair, balanced and understandable assessment of the Company's position and prospects and specifically that they consider that the Annual Report and Consolidated financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

At the request of the Board, the Committee considered whether the 2019 Annual Report and Consolidated financial statements met these requirements.

The Committee considered and discussed with management the established and documented process put in place by management for the preparation of the 2019 Annual Report and Consolidated financial statements, and in particular the timetable, co-ordination and review activities. The Committee also noted the formal audit plan and process undertaken by Deloitte Ireland LLP. The Committee and then the Board concluded that the Annual Report and Consolidated financial statements, taken as a whole, are fair, balanced and understandable and that they provide the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

Significant Issues

The Committee considered the Company and Group's proposed accounting treatments for material and complex transactions and key assumptions made in the preparation of the financial statements. The Committee also reviewed the suitability of the Company and Group's accounting policies, their adoption and their consistent application across financial periods. The key judgements considered by the Audit Committee during the financial period ended 31 December 2019 and the action taken by the Committee are set out below:

Valuation of owned property

All of the properties owned by the Company were valued by Lisney Limited (the "Valuer") as at 31 December 2019. The Valuation Committee met with the Valuer, and reviewed its objectivity, experience and cost competitiveness before engaging with it. The Valuation Committee tested the Valuer's assumptions and valuations and is satisfied that the valuations were conducted in accordance with the Royal Institution of Chartered Surveyors Valuation Standards. The valuation report prepared by the Valuer was also provided to the external auditor. The Audit Committee reviewed the valuations and their underlying comparable evidence and assumptions. All properties are valued in accordance with their current use, which is also the highest and best use except for property under development. The Audit Committee paid specific attention to the valuation of properties purchased since the prior Annual report.

Treatment of share-based payments

Under the Company's Long-Term Incentive Plan ("LTIP") and Bonus scheme the Company may be obliged to make payments or settle options on the Company's shares contingent on individual and Company performance. The Company made an initial grant under the LTIP scheme in the reporting period and the Audit Committee reviewed the calculation and treatment of the LTIP accrual and accounting with the Company in order that the Committee and the Remuneration Committee be aware of the cost and recognition of awards made under this scheme in the reporting period and the future.

Treatment of revenue

The Company received payments from current leases, lease surrenders, service charge payments and property sales during the reporting period. The Committee reviewed the source and nature of these in determining how these would be treated and recognised in the Company and Group's accounts. The Group paid particular attention to treatment of lease surrender premium payments received on the Company's property at Cork Airport Business Park.

Treatment of debt facility

The Company increased its debt finance facility during the reporting period. The Committee reviewed the terms and use of the facility and the costs of the facility in determining how these would be treated and recognised in the Company and Group's accounts. The Committee paid particular attention to the valuation and treatment of the liabilities the Company has incurred under the facility as well as advice on the pricing and the valuation of the facility.

The External Auditors

The Audit Committee oversees the relationship with the External Auditor.

Deloitte Ireland LLP was appointed as first statutory auditor to the Company in 2018. The Audit Committee keeps the tenure of Deloitte Ireland LLP under review in accordance with best practice, recent applicable legislation and its terms of reference.

The Audit Committee has recommended to the Board that Deloitte Ireland LLP should be re-appointed for the coming financial year. As required under the Articles of the Company, the reappointment will be tabled at the Annual General Meeting for consideration by shareholders. In the course of arriving at this recommendation the Audit Committee completed a detailed assessment of the external auditor including the key points below:

Audit Committee Report (continued)

- Confirmation from the auditor that there are no issues concerning its status as a statutory auditor or the designation of the audit engagement partner as a responsible individual.
- The independence and objectivity of the audit partner and senior audit staff, particularly as regards to their interaction with Company management.
- The quality of the audit partner and audit staff from a technical accounting and auditing perspective, including their industry knowledge and their specialist technical expertise.
- Whether issues were raised at the right time by the appropriate level of audit staff with the appropriate Company staff and in particular, the timeliness and quality of communication with the Committee.

The outcome of this assessment confirmed that the auditor was performing well, the results of their audit added value to the control process, had a good relationship with both Audit Committee, Administrator, Finance team and Company management and was sufficiently independent and technically qualified to justify the Committee's recommendation to re-appoint.

Services carried out by the external auditor during the financial period

Services provided by Deloitte Ireland LLP to the Company and the Company's subsidiaries for the financial period ending 31 December 2019 are:

Review of interim accounts	€20,000
Audit of the Group for the financial period ended 31 December 2019	€55,000

Internal Audit

In accordance with the Codes, the Audit Committee has considered the Company's scale, complexity and range of operations, including the role of the Administrator in relation to financial reporting. For the period to 31 October 2019 there was a comprehensive services agreement between the Company and the Administrator, Baker Tilly ("BT"), which set out the role of the Administrator in relation to financial reporting.

As part of this services agreement, the Administrator was required to report to the Company that it had appropriate internal controls in place. BT was also required to ensure that reporting to the Audit Committee and the Board was adequate, accurate, and timely.

The Administrator was required to report to the Company on compliance with its internal control processes, disaster recovery processes and business continuity programme on a regular basis until the pre-agreed end of their contract on 31 October 2019, after which the function was internalised. They will hold the records from their cessation date in accordance with the statute of limitations.

During the period the company internalised the finance function that had previously been provided by the Administrator. As part of this process, the required internal controls and segregation of duties were put in place. In order to reduce the risks surrounding the transfer of the finance function to the internal finance team the company ran parallel accounting records for the months of August, September and October 2019. Reviews were completed during this period to ensure that the internal finance team have the capabilities to maintain the accounting records of the company, following which the Administrator resigned on 31 October 2019. The internal finance team have assumed the Administrator's role and now ensures that reporting to the Audit Committee and the Board is adequate, accurate, and timely.

The internal finance team maintains internal control processes, disaster recover processes and a business continuity programme which is reviewed on a regular basis. Based on the Committee's assessment of the foregoing controls within the Company, combined with the current size of the Company, the Audit Committee has recommended to the Board that it does not believe it is necessary to establish an internal audit function at this time. The Board concurs with the Audit Committee's recommendation not to establish an internal audit function for the Company at this time. The Audit Committee will continue to review this position annually and make appropriate recommendations to the Board.

REIT status

As an Irish REIT, the Company is subject to Part 25A of the Taxes Consolidation Act 1997 (as inserted by section 41 of the Finance Act 2013). The Committee reviewed the Company's compliance with these requirements at 30 August and 31 December 2019, based on the Company's internal calculations. The Committee has confirmed to the Board that the Company is in compliance with the REIT rules at the date of this report. The Committee noted that in order to maintain compliance the Company would need to be listed on the Main market of a recognised stock exchange by May 2021. The Board received a presentation from the CFO during the year on the Company's plan and timings for listing on a recognised stock exchange before May 2021.

Internal controls and Risk Management

The Board acknowledges that it is responsible for monitoring the effectiveness of the Company's system of internal control (including financial control) and risk management to safeguard the Company's assets. The Company's internal control environment is designed to identify, manage and mitigate financial, operational and compliance risks inherent to the Company. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

The Company's internal control system is built on certain fundamental principles and is subject to review by the Board. The following are the principles under which the internal control system operates:

- A defined schedule of matters reserved to the Board
- Documented, approved policies and procedures
- A clear, effective authorisation process
- Risk metrics and risk reporting at meetings
- Approval and recording of all significant transactions
- Maintenance of a breaches register with details of corrective actions
- Business and financial planning (including three-year forward cashflows and viability modelling)
- Formal multi step appraisal of property investment decisions
- Performance assessment versus budget.

The Committee carried out an annual assessment of the Group's risk management and internal control systems, using the Group's risk management framework and risk register. The Committee identified the Group's principal risks and reviewed the controls and procedures in place to mitigate these risks. The Committee reviewed each of the entries on the risk register to ascertain whether they were relevant and complete, whether the risks identified were expected to become more prevalent, what the potential impact of the risks might be, mitigants to the risks that had been or could be brought into action, and actions to be taken by the Group. The Committee recommended the updated risk register to the Board for adoption.

Reporting

The Chair of the Committee reports to the Board at each meeting on the activities of the Committee and intends to attend the Company's AGM to answer any questions on the Committee's responsibilities and this report.

Approval of reports

The Annual Report and Consolidated financial statements were considered in draft on 23 April 2020. The Annual Report and Consolidated financial statements were approved by the Board on 23 April 2020.

I will be available at the AGM to answer any questions on the work of the Audit Committee.

Garry O'Dea

23 April 2020

Nomination Committee Report

I am pleased to present the second annual report of the Nomination Committee for the year ended 31 December 2019, which provides a summary of the Nomination Committee's role and responsibilities, and how the Committee discharged these during the year.

BARRY O'DOWD
COMMITTEE CHAIRMAN

Role of the Nomination Committee

The duties, reporting responsibilities and authority of the Nomination Committee are clearly set out in the Committee's Terms of Reference which are available on the Company's website www.ygreit.com. These include, but are not limited to, the following:

- Regularly reviewing the structure, size and composition of the Board and make recommendations to the Board with regard to any changes;
- Assessing the effectiveness and performance of the Board and each of its committees including consideration of the balance of skills, experience, independence and knowledge of the Company on the Board, its diversity, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness;
- Giving full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future, in particular with respect to the Chair of the Company;
- Being responsible for identifying and nominating candidates for approval by the Board to fill Board vacancies as and when they arise;
- Before any appointment is made by the Board, evaluating the balance of skills, knowledge, experience, independence and diversity on the Board, and, in the light of this evaluation preparing a description of the role and capabilities required for a particular appointment;
- Reviewing annually the time required from non-executive Directors and assessing whether the non-executive Directors are spending sufficient time on fulfilling their duties.

The Committee ensures that when reviewing the Company's officer and employee requirements, candidates are considered on merit against objective criteria and with due regard for the benefits of diversity. The Company has a Diversity Policy, the aim of which is to ensure that the percentage of women and the percentage of men employed by the Company remains at or exceeds 30%.

Membership

Under the Committee's Terms of Reference, the Nomination Committee must have at least two Directors, of whom the majority shall be independent non-executive Directors. Members are appointed to the Committee by the Board for a period of up to three years which may be extended for further periods of up to three years, provided the relevant member still meets the criteria for membership of the committee.

The Committee has two independent non-executive Directors and one executive Director:

- Barry O'Dowd (Chair)
- Eimear Moloney (Non-executive Director)
- Jonathan Laredo (Chief Executive Officer)

Other executives may be invited to attend when deemed appropriate. The Company Secretary or his or her nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

Other executives may be invited to attend when deemed appropriate. The Company Secretary or his or her nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

Activities of the Nomination Committee

The Nomination Committee meets at least once a year and otherwise as required. The Nomination Committee met once during 2019. The principal activities of the Nomination Committee in the year are detailed below:

- The Committee reviewed the Terms of Reference for the Nomination Committee to ensure the contents remained relevant and appropriate and best reflect the role and responsibilities of the Committee.
- The Committee reviewed the results of the annual performance evaluation of the Board, its Committees and individual Directors, including a review of the time required from non-executive Directors to fulfil their duties; and
- Recommending to the Board that in line with the 2018 Code, that all Directors, subject to and seeking re-election, be put forward for re-appointment at the Company's 2020 AGM.

I will be available at the AGM to answer any questions that shareholders may have on the work of the Committee.

Barry O'Dowd

23 April 2020

Remuneration Committee Report

EIMEAR MOLONEY
COMMITTEE CHAIRMAN

Dear Shareholder,

I am pleased to present the Company's Remuneration Committee report covering the remuneration policy and practice for the year ended 31 December 2019 which has been prepared by the Remuneration Committee and approved by the Board.

The objective of the report is to provide shareholders with information to enable them to understand the remuneration structures and how they relate to the Group's financial performance.

We have been mindful to ensure that disclosures in relation to the remuneration structures are in line with best practice and we recognise the importance of having remuneration policies, practices and reporting that reflect best corporate governance practices, having regard to the Company's size and the markets on which its shares are traded.

The Committee is dedicated to structuring a remuneration policy for the business which promotes a continued alignment of shareholders' and executives' interests. The significant shareholdings of both the Chief Executive Officer and the Chief Investment Officer also demonstrate their ongoing commitment to the long-term success of the Company.

Membership and Responsibilities

The Remuneration Committee is formed by the Chair of the Remuneration Committee, Eimear Moloney and Garry O'Dea, each of whom is considered by the Board to be independent. The Remuneration Committee meets formally at least once a year and otherwise as required.

Only members of the committee have the right to attend committee meetings. However, other individuals such as officers and staff of the Company and other Directors and representatives from service providers to the Company may be invited to attend all or part of any meeting as and when appropriate and necessary.

The Company Secretary or his or her nominee shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

The responsibilities of the Remuneration Committee are summarised below and are set out in full in the Terms of Reference for the Remuneration Committee which are available on the Company's website www.ygreit.com. In the Admission document published in connection with the listing of the Company we set out the core principles for our remuneration policy. The roles and responsibilities include but are not limited to, the following:

- within the terms of the agreed remuneration policy and in consultation with the Chair and/or Chief Executive Officer, as appropriate, determine the total individual remuneration package of the Chair, each executive Director, Company Secretary and other designated senior executives including bonuses, incentive payments, share options or other share awards and pension benefits. No Director or manager shall be involved in any decisions as to their own remuneration.
- obtain reliable, up-to-date information about remuneration in other companies. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the Board.

- review the ongoing appropriateness and relevance of the remuneration policy and the terms of reference and make recommendations to the Board as regards changes or otherwise.

Key activities of the Remuneration Committee

There have been two Committee meetings during the period and the key activities during the financial period were focused on:

- Finalising the 2018 Remuneration Report;
- Agreeing the final outturn of the 2018 annual bonus scheme for the Executive Directors;
- Agreeing the approach to the award of the initial grant under the Company's Long Term Incentive Plan ("LTIP") in 2019 including the quantum, metrics, targets and award participants;
- Agreeing the structure of the 2019 annual bonus scheme for the Executive Directors, including bonus opportunity, metrics and specific targets to be employed;
- Reviewing the remuneration packages for the Executives and the terms of remuneration for the non-Executive Directors;
- Considering the implication for our remuneration reporting and practices of the updated 2018 UK Corporate Governance Code.

Subsequent to the financial year end, the Remuneration Committee met to review salaries for 2020, the final outcome of the 2019 annual bonus scheme and the structure and targets of the annual bonus scheme and LTIP for 2020.

Summary of current executive remuneration framework

The Company's policy on Executive Directors' remuneration is designed to ensure that employment and remuneration conditions reward, retain and motivate them to perform in the best interests of shareholders. The Company aims to provide a remuneration package for all employees that is market competitive and operates the same reward and performance philosophy throughout the business.

The elements of the remuneration package which may apply to Executive Directors are base salary, pension and benefits, annual bonus and the long term incentive plan. The table below summarises the framework which was applied during 2019. The initial levels of salary, pension, and benefits were agreed following a review by Mercer Consulting Group ("Mercer"). Mercer has no other connection with the Company or the individual Directors.

Executive remuneration framework

Base Salary: An appropriate level of fixed remuneration to reflect the skills and experience of the individual. Salaries are reviewed bi-annually by the Committee taking into account all relevant factors. Prior to Admission Mercer were engaged by the Board to consider the appropriate level of both Executive and Non-executive remuneration by benchmarking the Company against other similar sized listed companies.

The salaries of each of the Executive Directors was set at admission at €250,000 p.a. Each of the Executive Directors has agreed to waive half of their annual salary until such time as the share capital issued by the Company equals or exceeds €175 million.

Benefits: To provide a market competitive benefits package. Benefits currently provide the Executives with critical illness and death in service cover and the reimbursement of the cost of a family health plan insurance for spouse and children under 18 years old.

Pension: Contribution to a Company pension scheme at 15% of salary. These pension contributions are in line with the contribution level provided to the other members of the workforce.

Bonus: To reward executives for the delivery of annually agreed objectives and performance targets. The maximum bonus for each of the Executive Directors is 100% of salary. Targets are set each year for the CFO and CIO by the CEO, and for the CEO by the Chair and each is assessed and approved by the Committee.

- In respect of 2019 70% of the bonuses were based on the achievement of challenging dividend per share targets and the balance was based on individual performance against objectives set for the executives by the CEO and with objectives for the CEO being set by the Board

Remuneration Committee Report (continued)

- **LTIP:** As reported in last year's annual report in March 2019 awards of 150% of salary were made to each of the executives. The awards are designed to reward Executive Directors for the delivery of long-term performance and align their interests with those of shareholders and other stakeholders. The options were granted with a fixed exercise price of 1 cent (the nominal share price at the time the LTIP award was made). The options will vest no earlier than the third anniversary of the award grant date provided the director continues to be employed at the date of vesting and subject to the satisfaction of the performance conditions. The options expire seven years after the date of grant. The Company has no legal or constructive obligation to repurchase or settle the options in cash.

Malus will apply for the three-year period from grant to vesting with claw back applying for the two-year period post vesting. Malus and claw back provisions within the annual bonus scheme and LTIP apply in the following circumstances:

- Material restatement of the Group's audited financial statements;
- Where an award that has been granted based on any materially incorrect information relevant to the basis for setting the performance conditions;
- Material breach by the executive of this contract of employment including, a material breach of a restrictive covenant and/or confidentiality obligations of the Company; or
- Serious business or reputational damage to the Company arising from a criminal offence, serious misconduct or wilful misconduct by the individual executive.

The options are exercisable based on a series of performance metrics agreed by the Remuneration Committee and approved by the Board. The vesting criteria for the 2019 LTIP Scheme awards are split evenly across three metrics;

1. NAV growth but excluding dividends, 30% vests at ≥ 10% growth, 60% at 15% growth and 100% at ≥ 20% growth.
2. Aggregate dividend payment per share over the final twelve months of the performance period, 30% vests at €0.06 per share, 60% at €0.07 per share and 100% at €0.075 per share.
3. Annualised Total Shareholder Return (TSR), 30% vests ≥10%, 60% at ≥12% and 100% at ≥15%.

The Remuneration Committee may change the balance of the measures, or use different measures for subsequent awards, as appropriate. No material change will be made to the type of performance conditions without prior shareholder consultation.

Non-Executive Directors fees:

The Company provides a level of fees to support recruitment and retention of Non-Executive Directors with the necessary experience to advise and assist with establishing and monitoring the Company's strategic objectives. The Board as a whole is responsible for setting the remuneration of the Non-Executive Directors, other than the Chair whose remuneration is considered by the Remuneration Committee and recommended to the Board. The Chair is paid additional fees above other Non-Executive Directors to reflect the additional responsibilities and/or additional/ unforeseen time commitments. Non- Executive Directors do not participate in any of the Company's incentive arrangements.

Outcomes for 2019 (to be read as part of the consolidated financial statements)

As described earlier in this Annual Report, 2019 was a year of significant activity for Yew Grove REIT. In addition to a number of significant acquisitions the Company also concluded two successful share placings. In light of the Group's performance over the financial year, there were payments to Executive Directors and senior management under the annual bonus scheme set up at the start of 2019. The requirement for a threshold level of Dividend Per Share (DPS) to be met before any bonuses were paid was met, with this threshold set at the start of the year.

The following table summarises the remuneration received by the Directors for the 2019 financial period, it should be noted the bonus amounts were accrued for in 2019 for 2019 performance but paid subsequent to the year end in 2020:

	Salary / Fees	Bonus	Other Benefits	Pension	2019 Total	2018 Total €'000
	€'000	€'000	€'000	€'000	€'000	
Non-executive Directors:						
Barry O'Dowd	80	-	-	-	80	44
Garry O'Dea	50	-	-	-	50	28
Eimear Moloney	50	-	-	-	50	28
Brian Owens	50	-	-	-	50	28
Executive Directors:						
Jonathan Laredo	125	205	4.3	37.5	371.8	93
Charles Peach	125	205	3.5	37.5	371.0	92
Michael Gibbons	125	205	17.1	37.5	384.6	101

How we will apply the policy in 2020

Following the year end the Remuneration Committee met and reviewed the Executive Directors salaries and determined that no increase was warranted.

The financial underpin in the annual bonus scheme has been amended so that payment of any bonus in future years will require a Remuneration Committee assessment of overall corporate performance during the year. This replaces the inflexible provision in the current scheme for 2019 which triggered a bonus payment once a threshold level of dividend per share ("DPS") was achieved. In making this change, the committee believes it can better align directors' incentive with shareholder returns and good corporate governance . When considering whether a minimum level of performance has been achieved to justify the payment of the bonus in 2020, the Remuneration Committee will review factors such as underlying financial performance (including DPS), performance against other KPIs and progress against the achievement of strategic goals. In addition, the Remuneration Committee will reserve the right to adjust the provisional bonus outturn if it is not deemed to be a fair and accurate reflection of business performance.

The maximum annual bonus opportunity for the Executive Directors will remain at 100% of basic salary. The bonus will be divided into two assessments, 30% based in a series of individual objectives set for each of the Executives and 70% based on the performance of the Group subject to the achievement of challenging performance targets in the following areas :

(a) 40% payable based upon the dividend paid out of income profits
(b) 40% payable based on the NAV performance over the year, and
(c) 20% based on the level of Total Expense Ratio ("TER") improvement through the year.

The Committee intends to make awards under the LTIP during 2020. At the time of writing, the Committee is continuing to review the appropriate metrics and targets in line with Yew Grove REIT's strategic development and plans for growth for the coming years, and to help ensure that the continued commitment and contributions of the management team are appropriately rewarded. Major shareholders will be consulted in the event that the Committee makes material changes to the performance conditions used for awards made in 2020. The specific

Remuneration Committee Report (continued)

performance targets which are chosen will be disclosed in the required regulatory announcement when the grants are made later this year, and full details will also be included in next year's Annual Report on Remuneration.

Service contracts/letters of appointment

The Remuneration Committee reviews the contractual terms for any new Directors to ensure these reflect best market practice.

Executive Directors

All Executive Directors have service contracts with the Company with a notice period of six months. The service contracts for all three executive Directors are dated 5 June 2018. The service contracts allow for termination by way of payment for the entire notice period or part thereof in lieu of notice. Standard 'cause' provisions are included in the service agreement to allow the Company to terminate without notice or the obligation to make payment in lieu of notice.

Non-Executive Directors

The Non-executive Directors were appointed under letters of appointment dated 4 June 2018. Each independent Non-executive Director's term of office is for an initial period of 3 years unless terminated earlier upon written notice or upon their resignations,

The initial terms of the Non-executive Directors' positions are subject to their election by the Company's shareholders at the AGM scheduled for 29 May 2020 and to re-election at any subsequent AGM at which the Non-executive Directors stand for re-election.

I am always happy to hear from the Company's shareholders and you can contact me via the Company Secretary if you have any questions on this report or more generally in relation to the Company's remuneration.

I hope that you find the information in this report helpful and informative and I look forward to your continued support at the AGM where I will be available to answer any questions on the work of the Committee.

On behalf of the Remuneration Committee

Eimear Moloney

23 April 2020

Valuation Committee Report

I am pleased to present the Valuation Committee's report for the financial year ending 31 December 2019, which summarises the Committee's role and responsibilities and how the Committee discharged these during the year under review.

BRIAN OWENS
COMMITTEE CHAIRMAN

Role of the Valuation Committee

The Valuation Committee plays an important role in providing the Board with assurance that the valuation process of valuing the Company's investment properties by the independent valuer, Lisney (the "Valuer"), is objective, transparent and consistent in approach and methodology in accordance with the Red Book code.

The duties, reporting responsibilities and authority of the Valuation Committee are set out in the written terms of reference which are available on the Company's website www.ygreit.com and include the following;

Valuation reporting

The Committee shall monitor the integrity of the valuation of the property assets of the Company, reviewing and reporting to the Board on significant valuation reporting issues and judgements which they contain. The Committee shall also review and report to the Board on summary valuation statements, valuation methodologies used, and any valuation assumptions contained in valuation documents.

In particular, the Committee shall review and challenge where necessary;

1. the consistency of, and any changes to, valuation methodologies both on a year on year basis and across the Company and, if applicable, its subsidiaries to ensure the valuations are in accordance with the RICS Valuation – Global Standards 2017, incorporating the International Valuation Standards and RICS Professional Standards (the "Red Book");
2. the methods used to account for significant or unusual properties where different approaches are possible;
3. whether the Valuer has followed appropriate valuation standards and made appropriate estimates and judgements;
4. the clarity of disclosure in the Valuer's reports and the context in which statements are made in the annual and semi-annual valuations, and where the Committee is not satisfied with any aspect of the valuations provided by the external Valuer, it shall report its views to the Board.

Narrative reporting

Where requested by the Board, the Committee should review the content of the valuation reports 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 value of the Company's properties.

External Valuation

The Committee shall consider and make recommendations to the Board, in relation to the appointment, re-appointment and removal of the Company's external Valuer and oversee the relationship with the external Valuer including (but not limited to):

(a) approval of their remuneration and that the level of fees is appropriate.
(b) approval of their terms of engagement, including any engagement letter issued at the start of each valuation.

Remuneration Committee Report (continued)

(c) assess annually their performance, independence and objectivity and the effectiveness of the valuation process.
(d) ensuring no conflict of interest impacts the independence of the external Valuer
(e) assessing annually the qualifications, expertise and resources of the Valuer or Valuers and the effectiveness of the valuation process which shall include a report from the external Valuer on their own internal quality procedures;
(f) meet the external Valuer or Valuers at least once a year, without any member of the Company's management being present, to discuss their remit and any issues arising from the valuation;
(g) review and approve the annual valuation plan and ensure that it is consistent with the scope of the valuation engagement;
(h) review the findings of the valuation with the external Valuer or Valuers, including but not be limited to, the following;
- a discussion of any major issues which arose during the valuation;
- any valuation judgements; and
- the effectiveness of the valuation process.

Reporting responsibilities

The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, and shall also formally report on how it has discharged its responsibilities. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit, where action or improvement is needed.

Membership of the Valuation Committee

Membership of the Committee is Brian Owens (Chair of the Committee), Barry O'Dowd and Jonathan Laredo. The membership fulfills the quorum of 3 members of whom 2 are non-executive directors of the Company.

Each member of the Committee has one vote with the Committee Chair having the casting vote.

The Company Secretary Sanne are appointed Secretary to the Committee.

Activities of the Valuation Committee

The Committee meet at least twice a year, in the year under review the Committee has met 6 times.

The beginning of the year began with a review, approval and recommendation of the independent valuations for inclusion in the financial statements as at 31 December 2018 which we reported on in our first report. Midway through the year the Committee procured the independent valuation of our portfolio of assets for inclusion in the interim financial statements made up to 30 June 2019. In doing so, the Committee ensured there was a consistency of approach and methodology whilst ensuring the properties were valued in accordance with the Red Book (RICS Valuation – Global Standards (June 2017)).

The non-executive members of the Committee met with the Valuer, Lisney on two occasions during the year in discharge of their duties. Additionally, the Committee worked closely with the Audit Committee to ensure the valuations, and their principal assumptions, are properly recorded in the financial statements.

The Committee is satisfied that it was provided with adequate management, legal, secretarial and other resources to effectively carry out its duties in addition to having unrestricted access to the Company's records and to the Valuer.

Year End Valuation as at 31 December 2019

Prior to the independent Valuer engaging in the formal year end valuation process, the Committee reviewed and approved the terms of their engagement to do so. During the valuation process the non-executive members of the Committee met with Lisney to ensure the terms of their engagement were adhered to, that the basis of valuation adopted was consistent with previous reporting periods and that Lisney had received all necessary information and support to conduct their valuation exercise.

Once the year end Valuation Report had been received, the Committee met to consider it and the valuation process. The Committee is satisfied

- the Committee has adhered to its terms of reference throughout the year;
- the continued appointment of Lisney as independent valuer is adequately provided for in their engagement letter to ensure the integrity of the valuation process.
- both management and the Valuer cooperated in all aspects of resourcing and provision of required information to ensure a transparent and objective valuation process.
- the methodology of individual property valuations was consistent from one reporting period to the next, and adequate consideration was given to matters of judgement where it arose.
- the Committee reviewed the parameters used by Lisney for their valuation, including their inputs for discount rates, ERVs, void periods and lease terms.
- the Committee did not adjust the valuations or observable inputs used by Lisney in their Valuation Report
- the Valuation Report is judged to be fair and prepared on the basis of Market Value in accordance with the RICS Valuation – Global Standards (June 2017).

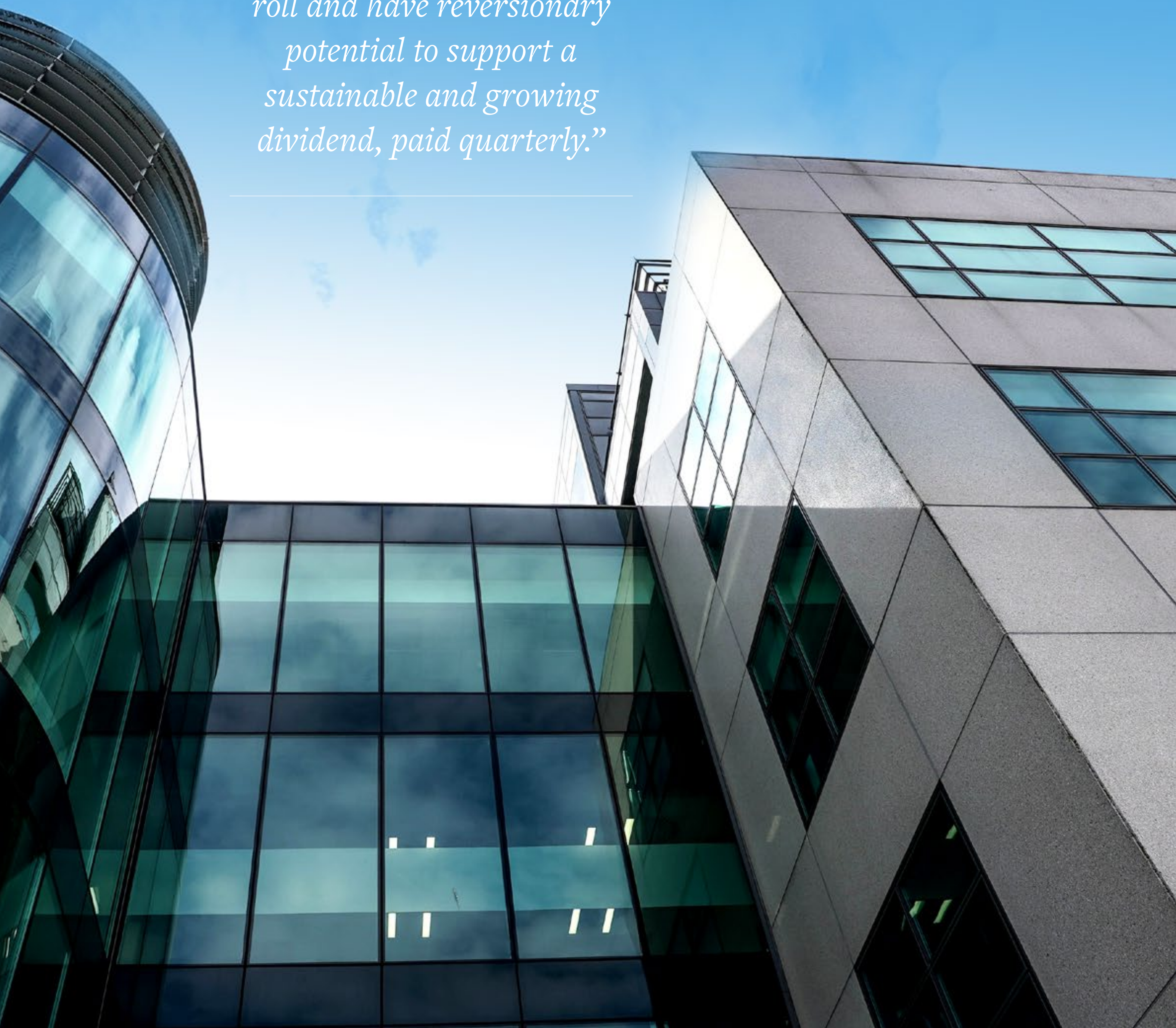
Accordingly, the Committee recommended approval of the Valuation Report to both the Audit Committee and the Board for inclusion in the financial statements for the financial year ended 31 December 2019. I will be available at the AGM to answer any questions that shareholders may have on the work of the Committee.

On behalf of the Valuation Committee

Brian Owens

23 April 2020

"Target properties should be structurally sound, attractive to tenants of good credit standing and generate a rent roll and have reversionary potential to support a sustainable and growing dividend, paid quarterly."



FINANCIAL STATEMENTS

Independent Auditor's Report

to the Members of Yew Grove Reit Plc

Report on the audit of the financial statements

Opinion on the financial statements of Yew Grove REIT PLC (the 'Company')

In our opinion the Group and Company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 December 2019 and of the profit of the Group for the financial period then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

The Group financial statements:

- the Consolidated Statement of Comprehensive Income;
- the Consolidated Statement of Financial Position;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash Flow; and
- the related notes 1 to 31, including a summary of significant accounting policies as set out in note 1.

The Company financial statements:

- the Company Statement of Financial Position;
- the Company Statement of Changes in Equity;
- the Company Statement of Cash Flow; and
- the related notes 1 to 31, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the Group and Company financial statements is the Companies Act 2014 and International Financial Reporting Standards (IFRS) as adopted by the European Union ("the relevant financial reporting framework").

Basis for opinion

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

We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Valuation of investment properties; and • Completeness and accuracy of rental income
Materiality	The Group and Company materiality that we used in the current year was €1,100,000 which was determined on the basis of 1% of Group and Company net assets.
Scoping	We focused our audit scope, and the extent of our testing, based on our assessment of the risks of material misstatement and of the materiality determined.
Significant changes in our approach	There is no significant changes to our approach, this is the Group's and the Company's second year of audit.

Conclusions relating to principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which ISAs (Ireland) require us to report to you whether we have anything material to report, add or draw attention to:

- the disclosures in the annual report set out on pages 54-57 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation set out on page 34 in the annual report that they have carried out a robust assessment of the principal risks facing the Group and the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement set out on page 38 in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the Group's and the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the directors' explanation set out on page 38 in the annual report as to how they have assessed the prospects of the Group and the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group and the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report
To The Members Of Yew Grove Reit Plc (continued)

Valuation of investment properties

Key audit matter description	The valuation of the Group's investment properties requires significant judgement to be made by the directors taking into consideration advice from the external valuer and management. Any inaccurate inputs or calculations used in the estimation of fair value could result in a material misstatement of the financial statements. For the financial year ended 31 December 2019, the investment properties of the Group is €115.8 million. Refer to page 96 (Note 1.5 – Significant accounting judgements, estimates and assumptions), page 97 (Accounting Policy – Fair value of investment property), and page 112 (Note 14 - Investment properties).
How the scope of our audit responded to the key audit matter	We evaluated the design and determined the implementation of the controls the Board has implemented over the valuation of investment properties. We considered the basis used by the Group for the valuation of investment properties in light of the Group's valuation policy and the requirements of IFRS. We enquired with the external valuer that was engaged by the Group, to discuss and challenge the significant assumptions used in the valuation process, including estimated rental value and market based yields. We reviewed the assumptions and sources of information used in the valuation as detailed in the Valuation Report prepared by the external valuer. We assessed the competence, capabilities and objectivity of the external valuer, obtained an understanding of the work of the external valuer and evaluated the appropriateness of the external valuer's work as audit evidence for the relevant assertion. We compared the recorded value of each investment property held to the Valuation Report prepared by the external valuer in light of the Group's accounting policies and the requirements of IFRS. We performed audit procedures to assess the accuracy and completeness of information provided to the external valuer including reviewing and agreeing the lease terms to the underlying lease agreements. We reviewed the financial statement note disclosures and ensured that the IFRS requirements on the valuation of investment properties have been adequately included in the financial statements.

Completeness and accuracy of rental income

Key audit matter description	Rental income is recognised over the term of the lease. Lease incentives granted are recognised as an integral part of the rental income over the term of the lease. During the period ended 31 December 2019, the Group has recognised net rental income of €9.9 million. We focused on this area due to the significance of the balances and as rental income is the Group's primary source of revenue. Refer to page 98 (Note 1.6 – Revenue recognition – Rental income).
How the scope of our audit responded to the key audit matter	We considered the Group's accounting policy in respect of revenue recognition and were satisfied that it is in accordance with applicable accounting standards and that it has been consistently applied throughout the year. We evaluated the design and determined the implementation of the controls in place over the accounting for rental income. We developed our independent expectation of rental income recognised in the Group consolidated financial statements based on the lease agreements taking into consideration rent-free periods, if any. We compared our expectation to what is included in the financial statements and obtained explanations for any differences. We ensured that the Group is entitled to the rental income recognised in the Group consolidated financial statements by reviewing and agreeing the lease terms to the underlying lease agreements. We reviewed the financial statement note disclosures and ensured that the IFRS requirements on revenue have been adequately included in the financial statements.

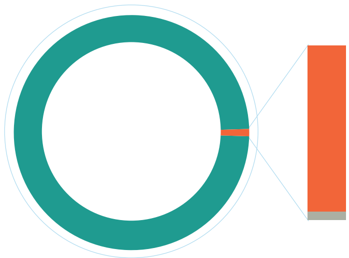
Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Independent Auditor's Report
To The Members Of Yew Grove Reit Plc (continued)

Our application of materiality

We define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Net assets	€110
Materiality	€1.1
Audit Committee reporting threshold	€0.055



We determined materiality for the Group and Company to be €1,100,000 which is approximately 1% of the Group and Company net assets. We have considered net assets to be the critical component for determining materiality because it is one of the principal benchmarks within the Financial Statements relevant to members of the Group in assessing financial performance. We have considered quantitative and qualitative factors such as understanding the Company and its environment, complexity of the Company and the reliability of control environment.

We agreed with the Audit Committee that we would report to them any audit differences in excess of €55,000, as well as differences below that threshold which, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

We determined the scope of our Group audit by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

In establishing the overall approach to our Group audit, we assessed the risk of material misstatement, taking into account the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Other information

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

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

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- *Fair, balanced and understandable* – the statement given by the directors that they 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 and the Company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- *Audit committee reporting* – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
- *Directors' statement of compliance with the UK Corporate Governance Code and the Irish Corporate Governance Annex* – the parts of the directors' statement relating to the Company's compliance with the UK Corporate Governance Code and the Irish Corporate Governance Annex do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code or the Irish Corporate Governance Annex.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent Auditor's Report
To The Members Of Yew Grove Reit Plc (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the Group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the (consolidated) financial statements. The Group auditor is responsible for the direction, supervision and performance of the Group audit. The Group auditor remains solely responsible for the audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

For listed entities and public interest entities, the auditor also provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence, including the Ethical Standard for Auditors (Ireland) 2016, and communicates with them all relationships and other matters that may be reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards.

Where the auditor is required to report on key audit matters, from the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The Company Statement of Financial Position is in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate Governance Statement

We report, in relation to information given in the Corporate Governance Statement on pages 43 to 52 that:

- In our opinion, based on the work undertaken during the course of the audit, the information given in the Corporate Governance Statement pursuant to subsection 2(c) of section 1373 of the Companies Act 2014 is consistent with the Company's statutory financial statements in respect of the financial year concerned and such information has been prepared in accordance with the Companies Act 2014.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in this information.
- In our opinion, based on the work undertaken during the course of the audit, the Corporate Governance Statement contains the information required by Regulation 6(2) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and Groups) Regulations 2017 (as amended); and
- In our opinion, based on the work undertaken during the course of the audit, the information required pursuant to section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 is contained in the Corporate Governance Statement.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Matthew Foley
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

23 April 2020

Consolidated Statement of Financial Position

As at 31 December 2019

	Notes	2019 €	2018 €
Non-current assets			
Investment properties	14	**115,790,000**	77,915,000
Computer equipment	15	**4,717**	-
Interest in joint venture	16	**3,473**	3,473
		115,798,190	77,918,473
Current assets			
Trade and other receivables	17	**3,527,754**	565,100
Cash and cash equivalents	18	**14,577,461**	4,823,734
Total current assets		**18,105,215**	5,388,834
Total assets		**133,903,405**	83,307,307
Current liabilities			
Trade and other payables	19	**(3,577,657)**	(2,333,729)
Non-current liabilities			
Borrowings	20	**(20,403,207)**	(5,840,398)
Total liabilities		**(23,980,864)**	(8,174,127)
Net assets		**109,922,541**	75,133,180
Equity			
Share capital	21	**1,115,722**	750,000
Share premium	22	**39,409,322**	4,000,000
Other reserves	22	**125,222**	-
Retained earnings	22	**69,272,275**	70,383,180
Total equity		**109,922,541**	75,133,180
IFRS Net asset value per ordinary share (cents)	13	**98.52**	100.18
EPRA Net asset value per ordinary share (cents)	13	**98.52**	100.18
Diluted IFRS asset value per ordinary share (cents)	13	**98.41**	100.18

The Consolidated financial statements were approved by the Board of Directors on 23 April 2020 and were signed on its behalf by:

Charles Peach
Chief Financial Officer

Jonathan Laredo
Chief Executive Officer

23 April 2020

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2019

	Notes	Year ended 31 December 2019 €	5 April 2018 to 31 December 2018 €
Total Rental and Related Income			
Rental income	3	**9,946,724**	2,764,695
Property expenses	4	**(527,948)**	(204,351)
Net Rental and related income		**9,418,776**	2,560,344
Fair value (loss)/gains on investment properties	5	**(768,283)**	1,609,126
Realised gain on disposal of Investment properties	5	**123,174**	-
Total income after revaluation gains and losses		**8,773,667**	4,169,470
Expenditure			
AIFM fees	6	**(95,833)**	(70,378)
Goodwill	7	**-**	(180,011)
Finance costs	8	**(669,384)**	(15,412)
Administration expenses	9	**(2,949,241)**	(1,568,725)
Total expenditure		**(3,714,458)**	(1,834,526)
Share of result from joint venture	16	**-**	3,473
Profit before taxation		**5,059,209**	2,338,417
Income tax	11	**-**	(4,538)
Profit for the financial period	22	**5,059,209**	2,333,879
Total comprehensive income for the financial period attributable to the owners of the Group		**5,059,209**	2,333,879
Basic earnings per share (cent)	12	**6.24**	4.08
Diluted earnings per share (cent)	12	**6.23**	4.08

Consolidated Statement of Changes in Equity

For the financial year ended to 31 December 2019

	Notes	Share capital account €	Share premium €	Retained earnings €	Other Reserves €	Total equity €
As at 1 January 2019		750,000	4,000,000	70,383,180	-	75,133,180
Total comprehensive income		-	-	5,059,209	-	5,059,209
Ordinary share capital issued	21	365,722	35,409,322	-	-	35,775,044
Share issue costs	22	-	-	(1,026,614)	-	(1,026,614)
Share based payments expense	25	-	-	-	125,222	125,222
Equity Dividends paid	23	-	-	(5,143,500)	-	(5,143,500)
As at 31 December 2019		1,115,722	39,409,322	69,272,275	125,222	109,922,541

Consolidated Statement of Changes in Equity

For the financial period from 5 April 2018 (date of incorporation) to 31 December 2018

	Notes	Share capital account €	Share premium €	Retained earnings €	Other Reserves €	Total equity €
Total comprehensive income						
for the period:		-	-	2,333,879	-	2,333,879
Transactions with owners						
recognised in equity:						
Issue of ordinary share capital	21	750,000	74,250,000	-	-	75,000,000
Transfer to retained earnings	22	-	(70,250,000)	70,250,000	-	-
Issue costs	22	-	-	(2,200,699)	-	(2,200,699)
As at 31 December 2018		750,000	4,000,000	70,383,180	-	75,133,180

Consolidated Statement of Cash Flow

For the financial year ended 31 December 2019

	Notes	Year ended 31 December 2019	5 April 2018 to 31 December 2018
Cash flows from operating activities			
Profit before taxation		**5,059,209**	2,338,417
Adjustments for:			
Depreciation		**857**	-
Fair value losses/(gains) on investment properties	5	**1,552,378**	(1,609,126)
Gain on disposal of investment property	5	**(123,174)**	-
Share of profit in joint venture	16	-	(3,473)
Finance costs	8	**669,384**	15,412
Goodwill	7	-	180,011
Increase in trade and other receivables		**(2,962,651)**	(147,502)
Decrease in trade and other payables		**1,069,371**	974,402
Equity share based payments	25	**125,222**	-
Corporation Tax paid		-	(6,606)
Net cash inflow from operating activities		**5,390,596**	1,741,535
Cash flows from investing activities			
Purchase of investment properties and development expenses	14	**(39,546,096)**	(50,395,874)
Development	14	**(831,283)**	-
Proceeds on disposal of investment property	14	**1,073,174**	-
Purchase of computer equipment	15	**(5,575)**	-
Net cash outflow from investing activities		**(39,309,780)**	(50,395,874)
Cash flows from financing activities			
Proceeds from the issue of ordinary share capital	21/22	**35,775,044**	75,000,000
Redemption of Class A shares in Yew Tree Investment Fund(1)		-	(23,064,484)
Issue costs(3)	22	**(1,026,614)**	(2,200,699)
Proceeds from loans and borrowings	20	**14,591,200**	6,199,540
Loan repayment(2)	20	**(523,219)**	(8,329,422)
Equity dividends paid	23	**(5,143,500)**	
Net cash acquired from subsidiary undertaking		-	5,873,138
Net cash inflow from financing activities		**43,672,911**	53,478,073
Net increase in cash and cash equivalents		9,753,727	4,823,734
Cash and cash equivalents at beginning of year		4,823,734	-
Cash and cash equivalents at the end of the period	18	14,577,461	4,823,734

(1) On 8 June 2018 all of the Yew Tree Investment Fund (in Members Voluntary Liquidation) Class A shares were redeemed.
(2) On 8 June 2018 the Company subscribed to 8,329,422 €1 B ordinary shares for €8,329,422, the €8,329,422 proceeds were used to fully repay the Yew Tree Investment Fund's (in Members Voluntary Liquidation) outstanding loan subsequent to acquisition. The current year balance relates to repayment of company borrowings.
(3) Issue costs represent the Company's contribution to costs of issuing ordinary share capital for the financial period.

Company Statement of Financial Position

As at 31 December 2019

	Notes	2019 €	2018 €
Non-current assets			
Investment properties	14	**115,790,000**	77,915,000
Computer equipment	15	**4,717**	-
		115,794,717	77,915,000
Current assets			
Trade and other receivables	17	**3,232,119**	562,976
Cash and cash equivalents	18	**14,086,632**	4,364,045
Total current assets		**17,318,751**	4,927,021
Total assets		**133,113,468**	82,842021
Current liabilities			
Trade and other payables	19	**(3,044,870)**	(2,099,951)
Non-current liabilities			
Borrowings	20	**(20,403,207)**	(5,840,398)
Total liabilities		**(23,448,077)**	(7,940,349)
Net assets		**109,665,391**	74,901,672
Equity			
Share capital	21	**1,115,722**	750,000
Share premium	22	**39,409,322**	4,000,000
Other reserves	22	**125,222**	-
Retained earnings	22	**69,015,125**	70,151,672
Total equity		**109,665,391**	74,901,672
IFRS Net asset value per ordinary share (cents)		98.29	100.18
EPRA Net asset value per ordinary share (cents)		98.29	100.18
Diluted IFRS asset value per ordinary share (cents)		98.18	100.18

The Company reported a profit of €5,033,567 (2018: €2,102,371) for the year ended 31 December 2019.

The financial statements were approved by the Board of Directors on 23 April 2020 and were signed on its behalf by:

Charles Peach
Chief Financial Officer

Jonathan Laredo
Chief Executive Officer

23 April 2020

Company Statement of Changes in Equity

For the financial period to 31 December 2019

	Notes	Share capital account €	Share premium €	Retained earnings €	Other reserves €	Total equity €
As at 1 January 2019		750,000	4,000,000	70,151,672	-	74,901,672
Total comprehensive income		-	-	5,033,567	-	5,033,567
Ordinary share capital issued	22	365,722	35,409,322	-	-	35,775,044
Share issue costs	22	-	-	(1,026,614)	-	(1,026,614)
Share based payments expense	25	-	-	-	125,222	125,222
Equity Dividends paid	23	-	-	(5,143,500)	-	(5,143,500)
As at 31 December 2019		1,115,722	39,409,322	69,015,125	125,222	109,665,391

Company Statement of Changes in Equity

For the financial period from 5 April 2018 (date of incorporation) to 31 December 2018

	Notes	Share capital account €	Share premium €	Retained earnings €	Other reserves €	Total equity €
Total comprehensive income for the period:		-	-	2,102,371	-	2,102,371
Transactions with owners recognised in equity:						
Issue of ordinary share capital	21	750,000	74,250,000	-	-	75,000,000
Transfer to retained earnings	22	-	(70,250,000)	70,250,000	-	-
Issue costs	22	-	-	(2,200,699)	-	(2,200,699)
As at 31 December 2018		750,000	4,000,000	70,151,672	-	74,901,672

Company Statement of Cash Flow

For the year ended 31 December 2019

	Notes	Year ended 31 December 2019 €	5 April 2018 to 31 December 2018 €
Cash flows from operating activities			
Profit before taxation		**5,033,567**	2,102,371
Adjustments for:			
Depreciation		**857**	
Fair value losses/(gains) on investment properties	5	**1,552,378**	(1,609,126)
Gain on disposal of investment property	5	**(123,174)**	-
Finance costs	8	**669,384**	15,412
Increase in trade and other receivables		**(2,703,643)**	(403,622)
Increase in trade and other payables		**770,365**	1,725,397
Equity share based payments	25	**125,222**	-
Net cash inflow from operating activities		**5,324,956**	1,830,432
Cash flows from investing activities			
Purchase of investment properties and development expenses	14	**(39,546,096)**	(50,395,874)
Purchase of shares in subsidiary(1)		**-**	(26,069,354)
Development	14	**(831,283)**	-
Proceeds on disposal of investment property	14	**1,073,174**	-
Purchase of computer equipment	15	**(5,575)**	-
Distribution from Yew Tree Fund	26	**34,500**	-
Net cash outflow from investing activities		**(39,275,280)**	(76,465,228)
Cash flows from financing activities			
Proceeds from the issue of ordinary share capital	22	**35,775,044**	75,000,000
Issue costs(2)	22	**(1,026,614)**	(2,200,699)
Proceeds from loans and borrowings	20	**14,591,200**	6,199,540
Loan repayment	20	**(523,219)**	-
Equity dividends	23	**(5,143,500)**	-
Net cash inflow from financing activities		**43,672,911**	78,998,841
Net increase in cash and cash equivalents		**9,722,587**	4,364,045
Cash and cash equivalents at beginning of year		**4,364,045**	-
Cash and cash equivalents at the end of the period	18	**14,086,632**	4,364,045

(1) In relation to the purchase of shares in subsidiary, on 8 June 2018 all of the Yew Tree Investment Fund (in Members Voluntary Liquidation) Class A shares were redeemed following the issue of Class B shares.
(2) Issue costs represent the Company's contribution to costs of issuing ordinary share capital for the financial period.

Notes to the Consolidated Financial Statements

1. Accounting policies

1.1 General information

Yew Grove REIT plc (the "Company", registered number 623896), together with entities controlled by the Company (its subsidiaries) (together the "Group"), is engaged in investing in a diversified portfolio of Irish commercial property with a view to maximising its shareholder returns.

The Company is a public limited company, incorporated and domiciled in Ireland. The registered address of the Company is 4th Floor, 76 Lower Baggot Street, Dublin 2.

The ordinary shares of the Company are listed on the Euronext Growth market (formerly the Enterprise Securities Market) of Euronext Dublin and the Alternative Investment Market of the London Stock Exchange.

1.2 Trading period

The Consolidated financial statements for the Group shown herein are for the financial year ended 31 December 2019 with comparatives from 5 April 2018 (date of incorporation) to 31 December 2018.

The results are inclusive of the parent company (Yew Grove REIT plc) and its subsidiary companies controlled by the Company.

1.3 Going concern

Based on financial projections which extend beyond twelve months from the date of the approval of these financial statements, the Directors consider that the Company and Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors have concluded that they should prepare the consolidated and company financial statements on a going concern basis.

1.4 Basis of preparation

The statements of the Group and Company for the financial year ended 31 December 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union ("EU") and the Companies Act 2014.

The financial statements of the Group and Company have been prepared on the historical cost basis, except for investment properties that are measured at fair value.

The financial statements of the Group and Company are presented in Euro, which is the functional currency.

Notes to the Consolidated Financial Statements (continued)

1. Accounting policies (continued)

Standards not affecting the reported results and financial position

IASB and IFRIC have issued the following standards and interpretations with an effective date after the date of these Consolidated financial statements:

Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2020
Amendments to IFRS 3 – Definition of a business	1 January 2020
Amendments to IAS 1 and IAS 8 – Definition of material	1 January 2020
IFRS 17 Insurance contracts	1 January 2021

Management are of the view that the initial adoption of any of the above will not materially change the financial performance or the reported position of the Group or Company.

New standards effective for the current accounting period do not have a material impact on the consolidated financial statements of the Group and Company. These are discussed in further detail below.

Standards implemented for the first time on preparation of these financial statements

IFRS 16 Leases

In the current year, the Group and Company adopted IFRS 16 Leases for the first time. The date of initial application of IFRS 16 for the Group and Company was 1 January 2019. It introduces significant changes to lessee accounting by removing the distinction between operating and finance leases and requires the recognition of a right-of-use asset and a lease liability at commencement of all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The Group and Company is not party as a lessee to material property and equipment leases. The Group and Company does act as a lessor. Details of the Group's and Company's accounting policies under IFRS 16 are set out below.

Lease contracts - the Group and Company as lessor

The Group has acquired investment properties which are subject to commercial property leases with tenants. The Group has determined, based on an evaluation of the terms and conditions of these lease arrangements, particularly the duration of the lease terms and minimum lease payments, that it retains substantially all of the risks and rewards incidental to ownership of these leased properties. Income from these leases is recognised on a straight line basis, recognition is from the date on which the company becomes a contractual party to the lease. A Lease is derecognised at the termination of the lease or when the company is no longer a contractual party to the lease.

Lease contracts - the Group as lessee

The Group assesses whether a contract is a lease or contains a lease at inception of the lease contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (less than €5,000 per annum). For these short-term leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability of leases other than short term leases is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

1. Accounting policies (continued)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the year presented.

Right-of-use assets are amortised over the shorter period of lease term or useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The Group does not have any leases that include purchase options or transfer ownership of the underlying asset.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as peppercorn ground leases), the Group has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within Expenses in the consolidated statement of comprehensive income. As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

Approach to transition

The Group has applied IFRS 16 using the modified retrospective approach, without restatement of the comparative information.

Financial impact

The application of IFRS 16 to leases previously classified as operating leases under IAS 17 did not result in any changes for the recognition of right-of-use assets and lease liabilities. Leases are expensed to the Statement of Comprehensive Income on a straight-line basis.

1. Accounting policies (continued)

1.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

In the process of applying the Company's and Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated financial statements:

(a) Significant judgements

The following are the significant judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated financial statements.

Operating lease contracts - the Group as lessor

The Group has acquired investment properties which are subject to commercial property leases and licence with tenants. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments, that it retains all the significant risks and rewards of ownership of these properties and so accounts for these leases as operating leases.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

(i) Fair value hierarchy applied
   (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
   (b) Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
   (c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(ii) Property is treated as acquired or disposed of when the significant risks and rewards of ownership have been assumed or relinquished by the Group. This occurs when:
   (a) it is probable that the future economic benefits that are associated with the property will flow to the Group;
   (b) there are no material conditions which could affect completion of the acquisition; and
   (c) the cost of the investment property can be measured reliably.

(iii) Additions to property consist of construction, re-development, refurbishment and other directly attributable costs such as professional fees and expenses and capitalised interest where applicable.

1. Accounting policies (continued)

(iv) Property is initially measured at cost including related acquisition costs, and subsequently valued by the Group's Valuers at its respective fair value at each reporting date (30 June and 31 December). The difference between the fair value of a property at the reporting date and its carrying value prior to the external valuation is recognised in the Consolidated Statement of Comprehensive Income as a fair value gain or loss.

(v) Share based payment fair value at grant date is estimated using a Monte Carlo simulation pricing model, taking into account the terms and conditions upon which the options are granted.

Control

The IFRS 10 control model focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee, and ability to use its power to affect those returns. In particular, IFRS 10 requires the Group to consolidate investees that it controls on the basis of de facto control. In accordance with IFRS 10, the Group's assessment of control is performed on a continuous basis and the Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of the control model.

(b) Analysis of sources of estimation uncertainty

The key future assumptions, and other key sources of estimation uncertainty for the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of investment property

The market value of investment property ("property") would normally be determined by a real estate valuation expert to be the estimated amount for which a property should exchange on the date of the valuation in an arm's length transaction. Properties are valued on an individual basis.

The valuation of the Group's properties as at 31 December 2019 was completed by Lisney Limited (”Lisney”) as external independent Valuer. Lisney prepared the valuation on the basis of market value in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation – Global Standards (June 2017). Their valuation was subsequently reviewed by the Valuation Committee.

The Group's investment properties will next be valued by the Group's Valuers as at 30 June 2020. The valuers will continue to use recognised valuation techniques and the principles of IFRS 13 for the valuation as at 30 June 2020 and 31 December 2020. Refer to note 14 for further disclosure on the recognised valuation techniques.

The Board's Valuation Committee conducts a detailed review of each property valuation, the underlying valuation assumptions and the valuation process used by the valuer to ensure that valuation assumptions are valid and have been applied as set out below. Property valuations are complex and involve data which is not publicity available and a degree of judgement. Each valuation is based upon key assumptions, particularly estimated rental values and market-based yields. The valuation approach to on-going developments and material refurbishments is on a residual basis and factors such as the assumed timescale, the assumed future development costs and an appropriate finance and/or discount rate are used to determine the property value together with market evidence and recent comparable properties where appropriate.

Notes to the Consolidated Financial Statements (continued)

1. Accounting policies (continued)

The Directors are satisfied that the valuations of the Group's properties are appropriate for inclusion in the Consolidated and Company financial statements. The fair value of the Group's and Company's properties accurately reflects the valuation provided by Lisney and no changes to Lisney's valuation was made by the valuation committee. The valuation is based on the future cashflows from rental income both for the current lease period and future estimated rental values, adjusted for expected void periods and appropriate discount rates.

Calculation of loss allowance

When measuring expecting credit loss ("ECL") the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

1.6 Rental and related income

The Group's main source of revenue is the leasing and licensing of properties. Lease and licence revenue is recognised over the period of the lease or licence contracts. Rental income is recognised as revenue at the time and amount governed by the lease or licence in place with the customer.

The Group recognised revenue from the following major activities:

- Operating lease income from the Group's investment properties;
- License income from licencing of the Group's car park spaces;
- Service charge income from contributions received from tenants relating to property expenses.

Revenue is measured based on the consideration to which the Group's expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Rental income

The Group receives rental income from tenants under leases associated with the Group's properties. Rental income is recognised on a straight line basis over the term of the lease.

Where a rent-free period is included as an incentive in a lease the rental income foregone is allocated evenly over the period from the first day of the lease to the earlier of termination date of the lease or first break option of the lease. Where a lease incentive takes the form of an incentive payment to a tenant the resultant cost is amortised evenly over the remaining life of the lease to its earliest termination date. The sum of unamortised incentives is included in trade and other receivables and is released over the term of the relevant leases. Lease adjustments such as rent reviews are included when the rent review or adjustment has been completed and agreed with the tenant.

1. Accounting policies (Continued)

License income

License income represents amounts under licences receivable from tenants associated with the licensing of the Group's car park spaces. License income is recognised over the term of the license. License adjustments such as reviews or extensions are included when the licence review, extension or adjustment has been completed and agreed with the tenant.

Service charge income

Service charge income from tenants are recognised as revenue in the period in which the related expenditure is incurred.

Surrender Premium

Where the Group receives a surrender premium from a tenant for the early termination of a lease, the proceeds, net of any then agreed costs associated with dilapidation and legal costs relating to that lease, is recognised in the accounting period in which the surrender took place.

1.7 Direct lease costs

Direct lease costs incurred in the negotiation and arrangement of new leases to tenants are initially capitalised and are then recognised as an expense over the period from the date of the lease to the earliest termination date of the lease.

There were no direct lease costs capitalised during the financial year.

1.8 Finance income and finance costs

The Group's finance income and finance costs include interest income, interest expense, commitment fees and related charges. Interest income or expense is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and costs 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

1.9 Taxation

Current tax

The Company elected for Real Estate Investment Trust ("REIT") status and on 21 May 2018 gave notice to Revenue that it was the principal company of a group REIT following the acquisition of the entire share capital of the Yew Tree Investment Fund (in Members Voluntary Liquidation). An Irish REIT or group REIT will not pay Irish corporation tax on profits and gains from its Property Rental Business. Corporation tax will still apply in the normal way in respect of its Residual Business which may include certain trading activities incidental to letting, letting of administrative property which is temporarily surplus to requirements, and certain income such as dividends from other Irish REITs. Corporation tax may also be payable in respect of profits arising in joint venture or co-investment arrangements where no REIT election has been made (or on the non-REIT proportion of the profits of joint ventures where an Irish REIT election has been made) and also where a member of a group or an interest in an investment vehicle (as opposed to property involved in the Property Rental Business) is sold. Other taxes such as VAT, stamp duty, local property tax and payroll taxes will also still apply in the normal way.

1. Accounting policies (Continued)

1.10 Financial instruments

Financial assets and liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

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

(i) Cash and cash equivalents

Cash and cash equivalents include cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Group and Company in the management of its short-term commitments.

(ii) Trade and other receivables and trade and other payables

Trade receivables include amounts due from tenants. Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade and other payables include amounts due to third party suppliers and prepaid rent amounts received from tenants in advance.

Trade and other receivables and trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. The Group applies the simplified approach to trade receivables for which expected credit loss uses the lifetime expected credit allowance. The Group has no material exposure to bad debts as the majority of the Group's rental income is from State bodies or FDI entities as they have good credit standing. The payment and credit performance of these tenants is closely monitored therefore, the expected credit loss is not material and has not been presented. Where there is evidence of credit loss appropriate allowances are recognised as bad debts in the Statement of Comprehensive income.

(iii) Loans and borrowings

Loans are initially recorded at fair value plus transaction costs. They are subsequently accounted for at amortised cost.

1.11 Investment

Investments held as fixed assets are stated at fair value. Income from other investments together with any related taxation is recognised in the Consolidated Statement of Comprehensive Income in the year in which it is receivable.

Basis for consolidation

The Consolidated financial statements include the financial statements of the holding company (Yew Grove REIT plc) and all subsidiary companies as at 31 December 2019. Control is achieved when the Company has the power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. The results of subsidiaries acquired or disposed of during the financial period are included in the Consolidated Statement of Comprehensive Income from the effective date of control or to the effective date of loss of control as appropriate. All intragroup transactions, assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Upon acquisition of a business, fair values are attributed to the identifiable net assets acquired. The Group's accounting policy in relation to goodwill is set out in note 1.20.

1. Accounting policies (Continued)

There were no subsidiaries acquired in the current year. Details of the subsidiaries acquired during the prior financial period are outlined below and in Note26.

Yew Tree Investment Fund plc (in Members Voluntary Liquidation)

The Consolidated financial statements for the period ended 31 December 2018 include the results of Yew Tree Investment Fund (in Members Voluntary Liquidation) from the date of acquisition of 8 June 2018 to the date of loss of control on 27 July 2018 following the appointment of a liquidator. At the Statement of Financial Position date, the liquidation of Yew Tree Investment Fund (in Members Voluntary Liquidation) had yet to be fully completed.

1.12 Property, Plant and Equipment

Office and computer equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is recognised to write off the cost or value of assets less their residual value over their useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives for the main asset categories are:
Office and computer equipment 3 years

1.13 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquire. Acquisition-related costs are recognised in the Consolidated Statement of Comprehensive Income as incurred.

1.14 Interest in Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exits only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these Consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture.

1.15 Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. The resulting exchange differences are dealt with in the Consolidated and Company Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements (continued)

1. Accounting policies (Continued)

1.16 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (a qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale) are included in the cost of the asset. All other borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period in which they are incurred.

1.17 Pension

Annual contributions payable to the Group's pension scheme are charged to the Company Statement of Comprehensive Income in the period to which they relate.

1.18 Share Based Payments

The long term incentive plan arrangement ("LTIP") between the Company and its Executive Management is accounted for as an equity settled share based payment arrangement. The initial and only outstanding grants under this plan were made on 15 February 2019. On that date the Company estimated the fair value of each granted instrument and the number of equity instruments for which service, market and non-market performance conditions are expected to be satisfied. This initial estimate of the total share-based payment cost is expensed over the vesting period.

Subsequent to this initial recognition and measurement, the estimate of the number of equity instruments for which the service and non-market performance conditions are expected to be satisfied will be revised during the vesting period, (the period from 15 February 2019 to 15 February 2022). Ultimately, the share-based payment cost is based on the fair value of the number of equity instruments to be issued on satisfaction of these conditions (see note 25 for further details).

1.19 Share issue cost

Costs directly attributable to issuing new shares are deducted from retained earnings net of any related tax deduction. All other costs are recognised in the Company Statement of Comprehensive Income in the period in which they are incurred.

1.20 Goodwill

Goodwill arising on the acquisition of a subsidiary is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously-held equity interest (if any) in the entity over the net fair value of the identifiable net assets recognised.

Goodwill is not amortised but is reviewed for impairment at least annually. Any impairment loss is recognised immediately in the Consolidated Statement of Comprehensive Income and is not subsequently reversed. Any gain on a bargain purchase is recognised in the statement of comprehensive income immediately.

1.21 Impairment of financial assets

The Group applies a three-stage expected credit loss model ("ECL") in relation to the impairment of its financial assets carried at amortised cost except for trade receivables for which the simplified approach is applied in accordance with IFRS 9. The ECL is used to account for expected credit losses and changes in those ECL at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

The expected credit loss is charged against the respective financial asset and recognised in the Consolidated Statement of Comprehensive income.

1. Accounting policies (Continued)

The three stages that determine the amount of impairment to be recognised as expected credit losses at each reporting date are as follows:

(i) Stage 1: Credit risk has not increased significantly since initial recognition – recognised 12 months ECL;
(ii) Stage 2: Credit risk has increased significantly since initial recognition – recognise lifetime ECL;
(iii) Stage 3: Financial asset is credit impaired – recognise lifetime ECL.

The 12 months ECL is calculated by multiplying the probability of a default occurring in the next 12 months by the total (lifetime) ECLs that would result from that default. Lifetime expected credit losses are the present value of expected credit losses that arise if a borrower defaults on its obligation at any point throughout the terms of the financial asset.

1.21 Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting events of default for internal credit risk management purposes as experience indicates that financial assets that meet the following criteria are generally not recoverable:

(i) When there is a breach of financial covenants by the debtor; and
(ii) Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Write off

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

2. Operating Segments

The Group is organised into two business segments, against which the Group reports its segmental information. These are Office Assets (including retail and mixed use buildings) and Industrial Assets. All of the Group's operations are in the Republic of Ireland. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who has been identified as the Board of Directors of the Company.

Unallocated income and expenses are items incurred centrally which are neither directly attributable nor reasonably allocable to individual segments. Unallocated assets are cash and cash equivalents, and certain other assets.

The Group's key measures of performance of a segment are net rental income and the movement in fair value of properties, as these measures illustrate and emphasize that segment's contribution to the reported profits of the Group and the input of that segment to earnings per share. By focusing on these prime performance measures, other key statistical data such as capital expenditure and once off exceptional items are separately highlighted for analysis and attention.

Revenue as stated in the Consolidated Statement of Comprehensive Income relates to rental income from its investment in commercial properties held by the Group, license income from the licensing of the Group's car park spaces and service charges received by its subsidiary management companies.

The reporting segments are new in the current financial year, the change is a result of the size of the portfolio increasing and identification by management of the differing returns between the two identified segments.

Notes to the Consolidated Financial Statements (continued)

2. Operating Segments (continued)

Major Customers

Included in gross rental income are rents of €4.6m (2018: €1.3m) which arise from the Group's three largest tenants, each of which contributed more than 10% of the Group's revenue. No other single tenant contributed more than 10% of the Group's revenue in 2019 and 2018.

	Office Assets 2019 €	Industrial Assets 2019 €	Total 2019 €	Unallocated expenses and assets 2019 €	Group Total 2019 €
Year ended 31 December 2019					
Rental income and related income	**8,382,108**	**1,564,616**	**9,946,724**	-	**9,946,724**
Property outgoings	**(500,365)**	**(27,583)**	**(527,948)**	-	**(527,948)**
Net rental income	**7,881,743**	**1,537,032**	**9,418,776**	-	**9,418,776**
Net movement on fair value of investment properties	**(1,063,004)**	**294,721**	**(768,283)**	-	**(768,283)**
Gain on Sale of investment property	-	**123,179**	**123,179**	-	**123,179**
Net fair value movement	**(1,063,004)**	**417,900**	**(645,104)**	-	**(645,104)**
Operating expenses	-	-	-	**(3,714,458)**	**(3,714,458)**
Profit before tax	**6,818,739**	**1,954,932**	**8,773,672**	**(3,714,458)**	**5,059,214**
As at 31 December 2019					
Investment properties	**8,200,000**	**27,590,000**	**115,790,000**	-	**115,790,000**

	Office Assets 2018 €	Industrial Assets 2018 €	Total 2018 €	Unallocated expenses and assets 2018 €	Group Total 2018 €
Year ended 31 December 2018					
Rental income and related income	2,328,381	436,314	2,764,695	-	2,764,695
Property outgoings	(179,829)	(24,522)	(204,351)	-	(204,351)
Net rental income	2,148,552	411,792	2,560,344	-	2,560,344
Net movement on fair value of investment properties	617,389	991,737	1,609,126	-	1,609,126
Operating expenses	-	-	-	(1,831,053)	(1,831,053)
Profit before tax	2,765,941	1,403,529	4,169,470	(1,831,053)	2,338,417
As at 31 December 2018					
Investment properties	64,185,000	13,730,000	77,915,000	-	77,915,000

3. Rental and related income

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Gross rental income	**7,337,846**	2,556,944
License income	**243,015**	56,789
Service charge income	**365,863**	150,962
Lease surrender premium	**2,000,000**	-
Net rental income	**9,946,724**	2,764,695

Gross rental income represents amounts receivable from tenants under leases associated with the Group's property business. License income represents amounts under licences receivable from tenants associated with the licensing of the Group's car park spaces. Service charge income relates to contributions from tenants of the Group's buildings for property expenses of the occupied buildings. Service charge income receivable from tenants is recognised in the period in which the related expenditure is recognised.

During the period the company agreed terms on the surrender of a lease at its property Office Block, Unit 2600, in Cork Airport Business Park. The lease surrender took effect on 30 June 2019. Of the €3 million surrender premium agreed, €2 million was for lease surrender recognised as part of revenue and €1 million for dilapidations recognised as part of the fair value gains. The total expenditure on dilapidations to 31 December 2019 was €215,905 leaving a gain of €784,095 on dilapidations which is recognised as part of the fair value gains (Note 5).

4. Property expenses

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Service charge expenses	**329,552**	157,581
Direct property costs	**172,396**	32,100
Car park costs	**26,000**	14,670
Total	**527,948**	204,351

Property expenses include service charges and other costs directly recoverable from tenants, and non-recoverable costs directly attributable to the Group's properties. Service charge expenses typically include security, insurance, maintenance and other costs of managing the buildings due from and recharged to tenants.

5. Fair value (Loss) /Gain on investment properties

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Fair value (losses)/gains on investment properties[1]	**(768,283)**	1,609,126
Realised gain on disposal of investment property	**123,174**	-
Total	**(645,109)**	1,609,126

(1) The Fair value (losses)/gains on investment properties includes a gain on lease surrender premium of €784,095.

A valuation of the Group's properties as at 31 December 2019 was completed by Lisney Limited ("Lisney") as external independent valuer Lisney prepared the valuation on the basis of market value in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation – Global Standards (June 2017). Their valuation was subsequently reviewed by the Valuation Committee.

During the year the company agreed terms on the surrender of a lease at its property Office Block, Unit 2600, in Cork Airport Business Park.

6. AIFM Fees

	31 December 2019 €	5 April 2018 to 31 December 2018 €
AIFM Fees	**95,833**	70,378
Total	**95,833**	70,378

The Company is required, as a REIT, to have an alternative investment fund manager ("AIFM"). The Company has agreed with Ballybunion Capital, an AIFM authorised by the Central Bank of Ireland, for it to act as the external AIFM of the Group, subject to overall supervision of the AIFM by the Board. The fees above are fees paid to the AIFM in accordance with the service level agreement between the AIFM and the Company.

7. Goodwill

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Impairment of goodwill	-	238,750
Negative goodwill	-	(58,739)
Total	-	180,011

As referred to in note 26, in the prior period goodwill arose on the acquisition of 100% of the class B ordinary share capital of Yew Tree Investment Fund (in Members Voluntary Liquidation). The fair value of unamortised loan facility costs with a book value of €238,750 included in trade receivables was estimated to have a recoverable amount of €nil at the acquisition date. This gave rise to goodwill of €238,750 at the date of acquisition. The goodwill was subsequently reviewed for impairment and an impairment charge was taken to the Statement of Comprehensive Income in the prior period.

Goodwill also arose in the prior period on the acquisition of Gateway Estate Management Company Limited by Guarantee (refer to note 26) as the company was acquired on 2 July 2018 for nil consideration following the acquisition of One and Three Gateway, East Wall Road, Dublin 3. As nil consideration was paid this resulted in negative goodwill of €58,739 at the date of acquisition. In line with the Group's accounting policy, negative goodwill of €58,739 was taken directly to the Statement of Comprehensive Income during the prior period.

The carrying value of the Goodwill at the Statement of Financial Position date was nil.

8. Finance costs

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Effective interest expense on borrowings	**669,384**	15,412
Total	**669,384**	15,412

The effective interest expense on borrowings arises as a result of the recognition of interest expense, commitment fees and arrangement fees using the effective interest rate method.

Notes to the Consolidated Financial Statements (continued)

9. Administration expenses

Profit before tax for the financial period has been stated after charging:

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Capital reduction costs	-	108,667
Staff costs (Note 10)	**1,581,426**	400,731
Independent Non-executive Directors (Note 25)	**230,000**	129,169
Listing expenses	**18,859**	160,329
Property valuation fees	**69,000**	53,639
Property management fees	**88,842**	60,936
Legal and consultancy fees	**195,746**	87,637
Independent accountant fees	**57,912**	73,888
Audit and interim review fees	**75,000**	65,000
Depository fees	**57,601**	-
Liquidation costs	-	119,589
Other costs	**574,855**	309,140
Total	**2,949,241**	1,568,725

Staff costs represents total remuneration and other benefits paid to all employees and officers for the financial period. Further information on Directors' remuneration can be found in note 25 to the Consolidated financial statements.

Capital reduction costs relate to the Company's application to the Court to reduce the amount standing to the credit of the Company's share premium account by the sum of €70,250,000 in the prior year. The Company's application to the Court was approved on 1 November 2018. Refer to note 21 for further details.

Liquidation costs relate to the Yew Tree Fund see Note 26 for further details.

Auditor's remuneration

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Company		
Audit of entity financial statements	**45,000**	42,500
Other assurance services	**20,000**	195,000
Tax advisory services	-	-
Other non-audit services	-	-
Company total	**65,000**	237,500
Group		
Audit of the Group financial statements	**10,000**	10,000
Other assurance services	-	-
Tax advisory services	-	-
Other non-audit services	-	-
Group total	**10,000**	10,000

9. Administration expenses (continued)

Other assurance services in 2018 include fees paid in respect to the role of reporting accountant at Admission to trading on AIM and the Euronext Growth market, review of the Interim Report, and Report on the Initial Financial Statements. In 2019 the other assurance services was the review of the Interim Report.

10. Employment

The average monthly number of employees (including Directors and excluding Non-Executive Directors) directly employed during the year to 31 December 2019 in the Group and Company was 6. The Company had no employees prior to Admission (8 June 2018) and six as at 31 December 2019.

Total employees and officers at financial period end:

	2019 Number	2018 Number
At financial period end:		
Executive Directors	**3**	3
Office staff	**3**	2
Non-Executive Directors (Note 25)	**4**	4
Total employees and officers	**10**	9

The staff costs for the above employees were:

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Wages and salaries	**577,901**	421,158
Bonus accrual	**633,429**	-
Social insurance cost	**62,991**	23,031
Share based payments and other benefits (Note 25)	**133,321**	-
Pension costs – defined contribution plan	**163,445**	71,266
Other benefits – Health insurance	**10,339**	14,445
Total staff costs	**1,581,426**	529,900
Independent Non-executive Directors (Note 25)	**230,000**	129,169

Staff costs are allocated to administration expenses during the financial period.

Notes to the Consolidated Financial Statements (continued)

11. Income tax

Current tax: current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Yew Grove REIT plc has elected for Real Estate Investment Trust ("REIT") status under section 705E Tax Consolidation Act 1997. As a result, the Group does not pay Irish corporation tax on the profits and gains from its qualifying rental business in Ireland provided it meets certain conditions. With certain exceptions, corporation tax is still payable in the normal way in respect of income and gains from a Group's Residual Business, that is its non-property rental business.

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Income tax on residual income	-	-
Current period charge	-	4,538
Income tax expense for the financial period	-	4,538

Reconciliation of the income tax expense for the financial period

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Profit before tax	**5,059,209**	2,338,417
Tax charge on profit at standard rate of 12.5%	**632,401**	292,302
Non-taxable revaluation surplus	-	(201,140)
REIT tax-exempt profits	**(632,401)**	(91,162)
Other (charge on subsidiary undertakings)	-	4,538
Income tax expense for the financial period	-	4,538

The directors confirm that in their opinion having conducted due enquiries the Group and the Company have remained in full compliance with the Irish REIT rules and regulations up to and including the date of the approval of this report.

12. Earnings per share and EPRA Earnings per share

Weighted average number of shares

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Issued share capital at beginning of the financial period	**75,000,000**	-
Shares issued during the financial period	**36,772,210**	75,000,000
Share in issue at financial period end	**111,772,210**	75,000,000
Weighted average number of shares	**81,095,292**	57,231,482
Share based payments payable – dilutive effect	**125,222**	-
Diluted number of shares	**81,220,514**	57,231,482

Basic and diluted earnings per share

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Profit for the financial period attributable to the owners of the Group	**5,059,209**	2,333,879

	€	€
Weighted average number of ordinary shares (basic)	**81,095,292**	57,231,482
Weighted average number of ordinary shares (diluted)	**81,220,514**	57,231,482
Basic earnings per share (cent)	**6.24**	4.08
Diluted earnings per share (cent)	**6.23**	4.08

Earnings per share

The adjusted basic and diluted earnings per ordinary share of 6.24 and 6.23 cents per share (2018: 4.08) is based on the profit for the financial period of €5,059,209 and on 81,095,292 ordinary shares (2018: €2,333,879 and on 75,000,000 ordinary shares) being the weighted average number of shares in issue for the year.

EPRA Earnings per share

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Profit for the financial period	**5,059,209**	2,333,879
Adjusted for:		
Change in the fair value of investment property	**768,283**	(1,609,126)
(Gain)/loss on disposal of investment property	**(123,174)**	-
Total EPRA earnings	**5,704,318**	724,753
EPRA EPS (Basic)	**7.03**	1.26
EPRA EPS (Diluted)	**7.02**	1.26

Notes to the Consolidated Financial Statements (continued)

13. IFRS and EPRA NAV per share

The IFRS NAV is calculated as the value of the Group's assets less the value of its liabilities based on IFRS measures. EPRA NAV is calculated with accordance with the European Real Estate Association ("EPRA") Best Practice Recommendations: November 2016.

EPRA net asset value ("EPRA NAV") is defined as the IFRS assets including properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business.

	31 December 2019 €	5 April 2018 to 31 December 2018 €
IFRS net assets at end of financial period	**109,922,541**	75,133,180
Ordinary shares in issue	**111,772,210**	75,000,000
IFRS NAV per share (cent)	**98.52**	100.18
Ordinary shares in issue	**111,772,210**	75,000,000
Diluted number of shares	**111,697,432**	75,000,000
Diluted IFRS NAV per share (cent)	**98.41**	100.18

	31 December 2019 €	5 April 2018 to 31 December 2018 €
IFRS net assets at end of financial period	**109,922,541**	75,133,180
Net market to market on financial assets	-	-
EPRA NAV	**109,922,541**	75,133,180
EPRA NAV per share (cent)	**98.52**	100.18

14. Investment properties

(a) Group and Company

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Opening balance	**77,915,000**	-
Acquired by distribution in specie	-	25,910,000
Property purchases	**39,546,096**	50,147,611
Disposal of property	**(950,000)**	-
Development expenditure	**831,282**	248,263
Lease surrender dilapidations premium	**(784,095)**	-
Fair value (loss)/gain on investment properties	**(768,283)**	1,609,126
Closing fair value	**115,790,000**	77,915,000

14. Investment properties (continued)

During the prior financial period the Company acquired 100% of the B ordinary shares in the Yew Tree Investment Fund (in Members Voluntary Liquidation). By this acquisition the Company secured 10 properties with a fair value as at 30 June 2018 of €25,910,000. The Company has since received all the properties and the majority of the cash from the Yew Tree Investment Fund (in Members Voluntary Liquidation) through distribution in specie following the Members Voluntary Liquidation of the Fund. In 2018 the Company purchased a total of six buildings comprising two portfolios and one other building for €50,147,611 including costs.

In 2019 the Group acquired Office Block A, located in the IDA Waterford Business and Technology Park, Butlerstown, Waterford for €4,307,733 (vendor price of €4,000,000 and transaction costs of €307,733) and Office Block, Unit 2600, located in the Cork Airport Business Park, Cork for €8,005,107 (vendor price of €7,500,000 and transaction costs of €505,107). A portfolio of three industrial buildings at the IDA Business and Technology Park, Garrycastle, Athlone was acquired for €13,959,612 (vendor price of €13,000,000 and transaction costs of €959,612) and an Office building at the IDA Ireland Business and Technology Park, Garrycastle, Athlone for €13,044,609 (vendor price of €12,000,000 and transaction costs of €1,044,609)

The Group disposed of an industrial property, at Heather Road, Sandyford, for €1.1 million, the carrying value of the building was €950,000, a net gain of €123,174 after disposal costs and derecognition of the carrying value.

During the period the Group also completed the development of a car park on the IDA Athlone Business and Technology Park, Athlone, Westmeath and purchased additional car parking spaces at One Gateway, Dublin 3 for €229,035 (vendor price of €192,000 and transaction costs of €37,000) the building and other spaces were acquired in 2018.

A valuation is conducted on the Group's owned properties on 30 June and 31 December each year based upon the key assumptions of estimated rental values and market-based yields. In determining fair value, the valuers refer to market evidence and recent transaction prices for similar properties.

The Directors are satisfied that the valuation of the Group's properties is appropriate for inclusion in the accounts. The fair value of the Group's properties owned at 31 December 2019 is based on the valuation provided by the external independent Valuers, Lisney. This valuation is prepared on the basis of market value in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards (June 2017) and the principles of IFRS 13.

Fair value

The valuation technique used in determining the fair value of the property assets is market value as defined by the Royal Institution of Chartered Surveyors Valuation, being the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion. This is in accordance with IFRS 13.

The main inputs for property valuation using a market-based capitalisation approach are the ERV ("Estimated Rental Value") and equivalent yield. ERV is a valuer's opinion as to the open market rental value of a property on a valuation date which could reasonably be expected to be the achievable rent for a new letting of that property on the valuation date. ERVs are not generally directly observable and therefore classified as Level 3 inputs. Equivalent yields depend on the valuer's assessment of market capitalisation rates and are therefore Level 3 inputs. There were no transfers between fair value levels in 2019 and 2018.

Notes to the Consolidated Financial Statements (continued)

14. Investment properties (continued)

Details of the Group's investment properties and information about the fair value hierarchy using unobservable inputs (level 3) at 31 December 2019:

Asset Class	Market value	Input	Range Low	Range Median	Range High
Commercial Property Assets	**€115.8m**	ERV per sq. ft	**€4.00**	**€12.00**	**€33.34**
		Equivalent yield %	**6.49%**	**7.77%**	**10.09%**

at 31 December 2018:

Asset Class	Market value	Input	Low	Median	Range High
Commercial Property Assets	€77.9m	ERV per sq. ft	€4.00	€11.98	€33.33
		Equivalent yield %	6.44%	8.23%	10.23%

Sensitivity of measurement to variance of significant unobservable inputs

A decrease in the ERV will decrease the fair value. An increase in equivalent yield will decrease the fair value. There are interrelationships between these rates as they are partially determined by market rate conditions.

The table below shows the sensitivity of the Group's properties to changes in equivalent yield and ERV, which have been identified as key sensitivities by the directors. A change in long term vacancy rate was not considered significant and was not therefore tested, as the Group's long-term vacancy rates are low and lease contracts are long in duration.

Across the entire portfolio of investment properties, a 0.25% increase in equivalent yield would have the impact of a €4.0m (2018: €3.0m) reduction in fair value whilst a 0.25% decrease in yield would result in a fair value increase of €4.2m (2018: €3.19m), and a 5% increase in ERV would have the impact of a €5.0m (2018: €3.28m) increase in fair value whilst a 5% decrease in ERV would result in a fair value decrease of €5.1m (2018: €3.29m).

At 31 December 2019

	Market Value	Value +5% in ERV €	Value -5% in ERV €	Value +0.25% Equivalent Yield €	Value -0.25% Equivalent Yield €
Commercial property assets	**€115.8m**	**5.0m**	**(5.1m)**	**(4.0m)**	**4.2m**
Total		**5.0m**	**(5.1m)**	**(4.0m)**	**4.2m**

at 31 December 2018

	Market Value	Value +5% in ERV €	Value -5% in ERV €	Value +0.25% Equivalent Yield €	Value -0.25% Equivalent Yield €
Commercial property assets	€77.9m	3.28m	(3.29m)	(3.0m)	3.19m
Total		3.28m	(3.29m)	(3.0m)	3.19m

15. Computer equipment

(a) Group and Company

Costs	Computer Equipment €	Total €
At 1 January 2019	-	-
Additions	5,575	5,575
At 31 December 2019	**5,575**	**5,575**
Accumulated Depreciation		
At 1 January 2019	-	-
Charge for the year	(857)	(857)
At 31 December 2019	**(857)**	**(857)**
Net Book Value 31 December 2019	**4,717**	**4,717**
Net Book Value 31 December 2018	**-**	**-**

16. Interest in joint venture (Group)

Details of the Group's only joint venture at the end of the reporting period was as follows:

Name of joint venture	Country of Incorporation	Nature of the business	Investment	Votes controlled by the Company	Carrying amount 31 December 2019
Ashtown Management Company Limited **(Joint venture)**	Friends First House, Cherrywood Science & Technology Park, Loughlinstown, Co. Dublin, Ireland	Private Limited Company. Management of common areas	Ashtown Management Company Limited **(Joint venture)**	50%	€3,473

This joint venture is accounted for using the equity method in these Consolidated financial statements as set out in the Group's accounting policies in note 1.

Notes to the Consolidated Financial Statements (continued)

16. Interest in joint venture (Group) (continued)

The Group acquired its interest in the joint venture in the prior when it acquired the entire class B ordinary share capital of the Yew Tree Investment Fund (in Members Voluntary Liquidation) on 8 June 2018. The share of profits attributable to the Group for the year ended 31 December 2019 and the period from 8 June 2018 to 31 December 2018 are as follows;

	31 December 2019 €	31 December 2018 €
Distribution in specie on 8 June 2018	-	-
Share of joint venture profits for the period	-	3,473
Period ended 31 December 2019	-	3,473

The joint venture broke-even for the year ended 2019 (2018: €6,946). Summarised financial information in respect to the results of the joint venture to 31 December 2019 is as follows:

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Revenue	**306,908**	178,198
Profit post tax from continuing operations	-	6,946
Profit for the period	-	6,946
Total comprehensive income	-	6,946

The balance sheet value of the Company's interest in a joint venture as at 31 December 2019 is as follows:

	31 December 2019 €	31 December 2018 €
Cash and cash equivalents	**61,126**	122,349
Trade and other payables	**(54,180)**	(115,403)
As at 31 December 2019	**6,946**	6,946

17. Trade and other receivables

(a) Group

	31 December 2019 €	31 December 2018 €
Trade receivables and prepayments	**634,879**	201,214
Taxation debtors – VAT recoverable	**231,311**	160,081
Deposit paid	**2,530,000**	-
Other receivables	**131,564**	203,805
Total	**3,527,754**	565,100

Trade receivables include amounts due from tenants for rental and service charges. The balance of trade and other receivables has no concentration of credit risk as it covers mainly prepayments. The directors therefore consider the carrying value of trade and other receivables approximates to their fair value.

A deposit of €2,530,000 was paid following an exchange of contracts to purchase a portfolio of six office buildings at Millennium Park, Naas, County Kildare on 19 December 2019 (Note 30).

(b) Company

	31 December 2019 €	31 December 2018 €
Trade receivables and prepayments	**214,390**	199,090
Taxation debtors – VAT recoverable	**231,311**	160,081
Deposit paid	**2,530,000**	-
Other receivables	**256,418**	203,805
Total	**3,232,119**	562,976

Trade receivables include amounts due from tenants. Other receivables are inclusive of €124,854 (2018: €159,354) due from the liquidator of the Yew Tree Investment Fund (in Members Voluntary Liquidation).

On 27 July 2018, the Yew Tree Investment Fund was placed into Members' Voluntary Liquidation ("MVL") with the expectation that the Fund's properties and cash be distributed in specie to the Company as the 100% owner of the B ordinary shares. In the financial period to 31 December 2018 €31,234,552 (€25,910,000 in investment properties and €5,324,552 in cash) of the Fund's assets were distributed in specie to the Company. There was distribution of €34,500 made in 2019. The directors expect to receive a distribution of the remaining assets of the Fund in 2020.

Other than the amounts due from the liquidator of Yew Tree Investment Fund (in Members Voluntary Liquidation) the balance of trade and other receivables has no concentration of credit risk as it covers mainly prepayments and amounts due from tenants. The directors therefore consider the carrying value of trade and other receivables approximates to their fair value.

Notes to the Consolidated Financial Statements (continued)

18. Cash and cash equivalents

(a) Group

	31 December 2019 €	31 December 2018 €
Cash and cash equivalents	**14,577,461**	4,823,734

(b) Company

	31 December 2019 €	31 December 2018 €
Cash and cash equivalents	**14,086,632**	4,364,045

As part of the company's facility agreement rent paid in advance on the facilities secured is collected into a rent account controlled by the bank. The amount of this cash as at 31 December 2019 was €778,352. Rent in excess of accrued facility interest is released at the end of each quarter to an account controlled by the Group.

The management of cash and cash equivalents is discussed in detail in note 28.

19. Trade and other payables

(a) Group

	31 December 2019 €	31 December 2018 €
Trade payables and accruals	**3,061,571**	2,302,163
Taxation creditors – PAYE/PRSI	**22,698**	19,729
Borrowings	**16,053**	11,837
Other payables	**477,336**	-
Total	**3,577,657**	2,333,729

19. Trade and other payables (Continued)

Trade payables include amounts due to third party suppliers and prepaid rent amounts received from tenants in advance. Accrued expenses include operational expenses incurred but not yet invoiced to the Group as at 31 December 2019. Trade and other payables are interest free and have settlement dates within one year. The Directors consider that the carrying value of the trade and other payables approximates to their fair value.

19. Trade and other payables (continued)

(b) Company

	31 December 2019 €	31 December 2018 €
Trade payables and accruals	**2,528,783**	2,068,385
Taxation creditors – PAYE/PRSI	**22,698**	19,729
Borrowings	**16,053**	11,837
Other payables	**477,336**	-
Total	**3,044,870**	2,099,951

Trade payables includes amounts due to third party suppliers and prepaid rent amounts received from tenants in advance. Accrued expenses include operational expenses incurred but not yet invoiced to the Company as at 31 December 2019. Trade and other payables are interest free and have settlement dates within one year. The Directors consider that the carrying value of the trade and other payables approximates to their fair value.

20. Borrowings

The Company has a revolving credit facility with Allied Irish Bank plc ("AIB"), secured by fixed and floating charges over certain property assets, the existing facility of €19,954,000 (December 2018) was extended with a second tranche in July 2019, increasing available funds by €9,120,000, for a total facility of €29,074,000. The facility can be repaid and re-drawn without penalty throughout its 3 years expected life. This facility was measured initially at fair value, after transaction costs, and carried at amortised cost, with all attributable costs charged to Consolidated Statement of Comprehensive Income over the life of the facility.

(a) Group and Company

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Balance at the beginning of the financial period	**5,852,235**	-
Bank finance drawn during the financial period	**14,591,200**	6,199,540
Interest during the financial period	**(523,219)**	-
Borrowing costs	**(185,976)**	(362,717)
Effective interest expense	**685,020**	15,412
Balance at end of the financial period	**20,419,260**	5,852,235
Maturity of borrowings is as follows		
Less than one year	**16,053**	11,837
Between two and five years	**20,403,207**	5,840,398
Total	**20,419,260**	5,852,235
Undrawn at end of the financial period	**8,283,260**	13,754,460

Notes to the Consolidated Financial Statements (continued)

20. Borrowings (continued)

The first loan facility was drawn down in December 2018 and there were no loan repayments during the period to 31 December 2018. The second facility was arranged and partial drawn in July 2019. The facility was partially repaid later in the year. The total interest paid was €523,219. As at 31 December 2019 €8,283,260 (2018: €13,754,460) available within the facility, €20,790,740 (2018: €6,199,540) was drawn.

The Company stated in its Admission document its intention to target borrowings, following full investment of the net proceeds raised at Admission, of 25% loan-to-value ("LTV"). LTV is the ratio of drawn debt to the value of property investments, which at 31 December 2019 was 17.96% (2018: 7.96%). Under the Irish REIT rules the REIT's borrowings must not exceed 50% of the value of its assets.

Where debt is drawn to finance material refurbishments and developments on qualifying assets, the borrowing cost associated with this debt is capitalised. No amounts were capitalised during the financial period for this purpose. All costs related to finance arrangements are amortised using the effective interest rate.

All borrowings are denominated in Euro. All borrowings are subject to six months or less interest rate changes and contractual re-pricing rates. Post year end the company extended its facility please refer to note 30 for details

21. Share Capital

	31 December 2019	31 December 2018
Shares in issue	**111,572,210**	75,000,000

	€	€
Issue for cash 2018	**750,000**	750,000
Issue for cash 2019	**365,722**	-
In issue 31 December 2019	**1,115,722**	750,000

The Group has a single class of ordinary shares of one cent each. 75 million authorised and issued shares were outstanding on 31 December 2018, following the additional issue of 36.5 million shares in the period there were 111.6 million authorised and issued shares at 31 December 2019. All issued shares are fully paid.

On 7 June 2018, the day before Admission, the Company had 2,500,000 shares in issue, all of which had been issued to Jonathan Laredo. On 8 June 2018 an additional 72,500,000 shares were issued at a price of €1.00 each, of which 29,596 were issued to Jonathan Laredo. On 8 June 2018 Jonathan Laredo subscribed €1.00 for each of the 2,500,000 shares he already held, and an additional €29,596 for the shares issued to him on that date, such that all the Company's shares were subscribed for at a price of €1.00 and the proceeds of share issuance were €75,000,000.

21. Share Capital (continued)

On 13 June 2019 the Company announced details of an issuance program of up to 100 million new shares in a number of tranches through a 12-month Share Issuance Programme. This issuance program was approved at an EGM of the Company on 11 July 2019. A Launch Announcement of 11 July 2019 included details of an initial placing, the result of which was subscription for 10.0 million shares at a price of €1.00 per share, raising gross proceeds of €10 million for the Company.

On 22 November 2019 the company announced a further Placing which was conducted by way of a bookbuild. The result of this placing was subscription for 26.6 million shares on 4 December 2019 at a price of €0.97 per share, raising gross proceeds of approximately €25.8 million for the Company.

The Company had 63,427,790 unissued shares remaining under its share issuance program at 31 December 2019. All authorised shares are issues at year end.

The Company's entire authorised share capital is €10,000,000 comprising 1,000,000,000 ordinary shares.

22. Reserves

(a) Group

	Share premium €	Retained earnings €	Share based payments €
At 1 January 2019	**4,000,000**	**70,383,180**	-
Shares issued in the period	**35,409,322**	-	-
Issue costs	-	**(1,026,614)**	-
Share based payment (Note 25)	-	-	**125,222**
Profit for the financial period	-	**5,059,209**	-
Dividend paid (Note 23)	-	**(5,143,500)**	-
As at 31 December 2019	**39,409,322**	**69,272,275**	**125,222**

	Share premium €	Retained earnings €	Share based payments €
Shares issued in the period	74,250,000	-	-
Issue costs	-	(2,200,699)	-
Transfer to retained earnings	(70,250,000)	70,250,000	-
Profit for the financial period	-	2,333,879	-
As at 31 December 2018	4,000,000	70,383,180	-

Notes to the Consolidated Financial Statements (continued)

22. Reserves (continued)

(b) Company

	Share premium €	Retained earnings €	Share based payments €
At 1 January 2019	**4,000,000**	**70,151,672**	-
Shares issued in the period	**35,409,322**	-	-
Issue costs	-	**(1,026,614)**	-
Share based payments (Note 25)	-	-	**125,222**
Profit for the financial period	-	**5,033,567**	-
Dividend paid (Note 23)	-	**(5,143,500)**	-
As at 31 December 2019	**39,409,322**	**69,015,125**	**125,222**

	Share premium €	Retained earnings €	Share based payments €
Shares issued in the period	74,250,000	-	-
Issue costs	-	(2,200,699)	-
Transfer to retained earnings	(70,250,000)	70,250,000	-
Profit for the financial period	-	2,102,371	-
As at 31 December 2018	4,000,000	70,151,672	-

The equity of the Company consists of Ordinary Shares issued. The par value of each share is recorded in the share capital account. The excess of proceeds received over the par value is recorded in the share premium account. Direct issue costs in respect of the issue of shares are accounted for in the retained earnings reserve, net of any related tax deduction.

On 1 November 2018 the High Court of Ireland made an Order confirming the Company's capital reduction resolution for the reduction of the Company's Share Premium Account in the sum of €70,250,000 such that the balance remaining credited to that account will be €4,000,000 such that the reserve resulting from such cancellation be treated as realised profits as defined by Section 117 of the Companies Act 2014. The Order of Court and Minute on reduction of share premium account was registered with the Companies Registration Office on the 2 November 2018.

23. Distributions made and declared

Cash dividends to the equity holders of the Company:

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Dividends on ordinary shares declared and paid		
Final dividend for 2018: 0.96 cent per share	**723,000**	-
Interim dividend for Q1 2019: 1.10 cent per share	**825,000**	-
Interim dividend for Q2 2019: 1.37 cent per share	**1,027,500**	-
Special dividend* Q2 2019: 1.86 cent per share	**1,395,000**	-
Interim dividend for Q3 2019: 1.38 cent per share	**1,173,000**	-
Total	**5,143,500**	-
Declared dividend on ordinary shares		
Proposed Interim dividend for Q4 2019: 1.04 cent per share	**1,160,350**	-

* The declared Q2 interim dividend on ordinary shares was declared on 26 June 2019 and paid to equity holders on 24 July 2019. This dividend was inclusive of a special dividend of 1.86 cent per share following the receipt of a lease surrender during the period.

The Dividend for the year resulted in a full year dividend amount of 6.75 cent per share (7.08 cent per share undiluted) Proposed dividend had not been accounted for as a liability at year end. The board approved the dividend on 13 February 2020 and it was paid on 19 March 2020.

24. Related party transactions

The Directors are considered to be related parties.

On Admission to the AIM and the Euronext Growth market the Executive Directors subscribed for shares in the Company at the issued price. They subscribed their post-tax proceeds from redemption of shares in the Yew Tree Investment Fund (in Members Voluntary Liquidation) and their shares of all incentive fees due from Parapet Capital Advisors' role as Investment Adviser to the AIFM of the Yew Tree Investment Fund (in Members Voluntary Liquidation). Concurrently the Non-executive Directors subscribed for shares in the Company at the issued price.

The Directors made further subscriptions for shares at the issued price in the July and December share placings. The interest of the Directors in the share capital of the Group as at 31 December 2019 is as follows in 2019:

24. Related party transactions (continued)

Director	No. of Ordinary Shares	% of issued share capital
Michael Gibbons	2,052,544	1.84%
Charles Peach	277,213	0.25%
Jonathan Laredo	2,575,369	2.31%
Barry O'Dowd	50,309	0.05%
Garry O'Dea	75,773	0.07%
Eimear Moloney	70,773	0.06%
Brian Owens	70,773	0.06%

The Directors of the Group received remuneration, fees and other benefits from the Group for their services. Total amounts for the financial period were €1,358,154. No remuneration, fees or other benefits were paid to the Directors by any subsidiary or joint venture.

All transactions between the Company and its subsidiaries are eliminated on consolidation.

Key management personnel

The remuneration of the key management personnel during the financial period is disclosed in note 25 below.

Subsidiaries, Associates and joint ventures

All transactions between the Company and its subsidiaries are eliminated on consolidation.

The following lists the subsidiaries of the Group:

Name of subsidiary	Registered Address/Country of Incorporation	Nature of the business	Membership	Votes controlled by the Company
Gateway Estate Management Company Limited by Guarantee	2nd Floor, River House, East Wall Road, Dublin 3, Ireland	Management of common areas	2/3	99% of voting rights
Mallow Business Park Management Company Limited by Guarantee	Mallow Business Park, Gooldhill, Mallow, Co. Cork	Management of common areas	1/2	50% of voting rights

The following lists the joint ventures of the Group:

Name of joint venture	Registered Address/Country of Incorporation	Nature of the business	Votes controlled by the Company
Ashtown Management Company Limited by Guarantee	Friends First House, Cherrywood, Loughlinstown, Co. Dublin, Ireland	Management of common areas	50%

The joint venture had a break even result for the period to 31 December 2019.

Other related parties

No other related party transactions have been identified.

25. Directors' remuneration

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Remuneration – Independent Non-executive Directors	**230,000**	129,169
Remuneration – Executive Directors	**375,012**	210,426
Total Directors and Non-executive Directors remuneration	**605,012**	339,595
Bonus accrual	**615,000**	-
Pension defined contribution plan – Executive Directors	**113,242**	63,126
Other benefits Health insurance – Executive Directors	**24,900**	12,086
Total	**1,358,154**	414,807

The remuneration of Directors and key management is determined by the Remuneration Committee to reflect the performance of individuals and market trends. Other benefits paid to the three Executive Directors during the period includes health insurance, death in service and illness combined insurance. Defined contribution pension payments represent contributions on behalf of the three Executive Directors. All fees paid to Non-Executive Directors are for services as Directors to the Group, they receive no other benefits. There were no payments of compensation made to Directors for termination or loss of office.

Share based payments

In February 2019, the Remuneration Committee granted 1,125,000 share options to senior executives under the Long-Term Incentive Plan ("LTIP"). The exercise price of the options of €0.01 is equal to the nominal price of the shares on the date of grant. The options vest (30% if at lowest hurdle, 100% if at or above highest hurdle) if the Company's Net Asset Value ("NAV") growth is 10% - 20%, Dividend per Share is €0.06 - €0.075 per share and Total Shareholder Return ("TSR") is 10% - 15%.

Vesting is three years from the date of grant and requires the senior executive to still be employed by the Company on such date. If the lower hurdles are not met, the options lapse. The vested options must be exercised within 2 years of vesting. The fair value at grant date is estimated using a Monte Carlo simulation pricing model, taking into account the terms and conditions upon which the options were granted. There is no cash settlement of the options. The fair value of options granted during the period to 31 December 2019 was estimated on the date of grant using the following assumptions:

- Dividend yield (%) 6.14
- Expected volatility (%) 17.94
- Risk-free interest rate (%) 1
- Vesting period of share options (years) 2.87
- Grant date share price (€) 0.98

While the TSR linked option values calculated are based on market based assumptions, the NAV and dividend per share linked options, being non-market based, required management assumptions as to the probability of their respective hurdles being achieved.

For the year ended 31 December 2019, the Group has recognised €125,222 of share-based payment expense in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements (continued)

26. Acquisition of subsidiaries

Yew Tree Investment Fund plc (in Member's Voluntary Liquidation)

On 8 June 2018 the Company acquired 100% of the class B ordinary share capital of the Yew Tree Investment Fund (in Members Voluntary Liquidation) for cash consideration of €23,064,484. The AIFM of the Yew Tree Investment Fund (in Members Voluntary Liquidation) had previously been advised by the Executive Directors, and details of the Fund and its assets were included in the Company's Admission document. Goodwill arising on the acquisition of the Yew Tree Investment Fund (in Members Voluntary Liquidation) was been capitalised and assessed for impairment at the prior period end date.

Analysis of acquisition of the Yew Tree Investment Fund (In Member's Voluntary Liquidation)

Upon acquisition of a subsidiary, fair values are attributed to the identifiable net assets acquired. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed in the prior period are set out in the table below.

Net assets at the date of acquisition	Book value at the date of acquisition €	Fair value adjustment €	Fair value at the date of acquisition €
Investment properties	25,910,000	-	25,910,000
Trade receivables and prepayments	513,727	(238,750)	274,977
Cash and cash equivalents	5,781,977	-	5,781,977
	32,205,704	(238,750)	31,966,954
Trade payables and accruals	(811,798)	-	(811,798)
Loan	(8,329,422)	-	(8,329,422)
	23,064,484	(238,750)	22,825,734
Share of net asset acquired (100%)			22,825,734
Cash consideration			23,064,484
Goodwill arising on acquisition			238,750

On 8 June 2018 the Company subscribed for 23,064,484 of the €1 B ordinary share capital in Yew Tree Investment Fund (in Members Voluntary Liquidation) for €23,064,484 as consideration for the Fund's net assets.

The fair value of unamortised loan facility costs with a book value of €238,750 included trade receivables was estimated to have a fair value of €nil at the acquisition date.

No deferred tax arose from this acquisition.

On 27 July 2018, the Yew Tree Investment Fund was placed into Members Voluntary Liquidation, from which date the Yew Tree Investment Fund is no longer consolidated in the Group's financial statements.

Subsequent to the appointment of the liquidator on 27 July 2018 and prior to 31 December 2018, Yew Tree Investment Fund's properties of €25.9m and cash of €5.3m had been distributed in specie to Yew Grove REIT plc as the 100% owner of the B ordinary shares. A distribution of €34,500 was made during the year. A further distribution is expected to be made on finalisation of the liquidation in 2020.

At the Statement of Financial Position date the Yew Tree Investment Fund (in Members Voluntary Liquidation) was still under the Member's Voluntary Liquidation process.

26. Acquisition of subsidiaries (continued)

Gateway Estate Management Company Limited by Guarantee

On 2 July 2018 the Group acquired 99% of the voting rights of Gateway Estate Management Company Limited by Guarantee for nil consideration following the acquisition of One and Three Gateway, East Wall Road, Dublin 3. Negative goodwill arising on the acquisition of Gateway Estate Management Company Limited by Guarantee has been taken directly to the Statement of Comprehensive Income during the period. The investment in Gateway Estate Management Company Limited by Guarantee has been included in the Group's balance sheet at its fair value.

Analysis of acquisition of Gateway Estate Management Company Limited by Guarantee

Upon acquisition of a subsidiary, fair values are attributed to the identifiable net assets acquired. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below.

Net assets at the date of acquisition	Book value at the date of acquisition	Fair value at the date of acquisition
	€	€
Trade receivables and prepayments	142,621	142,621
Cash and cash equivalents	91,161	91,161
	233,782	233,782
Trade payables and accruals	(175,043)	(175,043)
	58,739	58,739
Share of net asset acquired (100%)		58,739
Consideration		-
Negative goodwill arising on acquisition		(58,739)

Negative goodwill arising on the acquisition of Gateway Estate Management Company Limited by Guarantee has been taken directly to the Statement of Comprehensive Income during the prior period.

Notes to the Consolidated Financial Statements (continued)

27. Operating lease receivables

Future aggregate minimum rental receivables (to the next break date) under non-cancellable operating leases and licences are:

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Operating lease rentals and licence income receivables due in:		
Less than one year	**8,778,209**	6,283,984
Between two and five years	**20,983,091**	16,679,791
Greater that five years	**9,943,038**	7,918,572
Total	**39,704,338**	30,882,347

The Group has both operating leases and operating licences. The operating licences are predominantly for car parking spaces and are less than one year in duration.

The Group leases its investment properties under operating leases. The weighted average unexpired lease term of these leases ("WAULT") at 31 December 2019 is 7.85 years to expiry (2018: 7.4 years).

These calculations are based on all lease and licences outstanding at 31 December 2019.

The Company shares weekly reports which includes details of the next lease events for all its leases . Following distribution of this report the company holds a weekly meeting at which each property, and the strategy for impending or future lease amendments is discussed. The principal strategies for managing risk of its leases are: monitoring the creditworthiness and business models of existing tenants and their guarantors, arranging new leases with existing or new tenants, effecting rent reviews and lease amendments with existing tenants.

28. Financial instruments – risk management and fair value

Financial assets and financial liabilities

The following table shows the Group's financial assets and liabilities and the methods used to calculate fair value.

Asset/ liability	Carrying value	Carrying value	Level	Valuation technique
Trade and other receivables	Amortised cost	960,819	3	All trade and other receivables that could be classified as financial instruments are short-term, the majority being less than three months in duration, and therefore face value approximates fair value on an amortised costs basis using the effective interest rate method.
Loans and borrowings	Amortised cost	20,419,260	3	The carrying amount of loans and borrowings held at amortised cost have been calculated by discounting the expected cashflows at prevailing interest rates.
Trade and other payables	Amortised cost	3,061,571	3	All trade and other payables that could be classified as financial instruments are short-term, the majority being less than one month in duration, and therefore face value approximates fair value on an amortised cost basis using the effective interest rate method.

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Audit Committee is responsible for developing and monitoring the Group's risk management policies. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. All of these policies are regularly reviewed in order to reflect changes in the market conditions and the Group's activities.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. The policies for managing each of these and the principal effects of these policies on the results for the financial period are summarised below:

(i) Market risk

Market risk is the risk that the fair value or cashflows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks. The Group's financial assets mainly comprise of investment properties, and trade and other receivables and cash which are classified as financial assets. The Group has no financial assets or liabilities denominated in foreign currencies. Financial liabilities comprise short-term payables and bank borrowings. All of these items are denominated in Euro. The Group's primary market risk for financial instruments is interest rate risk.

Notes to the Consolidated Financial Statements (continued)

28. Financial instruments – risk management and fair value (continued)

(a) Interest rate risk

Bank borrowing interest rates are based on short-term variable interest rates which the Group has chosen not to hedge. Exposure to interest rates is limited to the exposure of its earnings from uninvested funds and borrowings. The Group has a revolving credit facility with AIB of €29.1m (2018: €19.9m), of which €8.3m was undrawn as at 31 December 2019 (2018: €13.7) Interest due on the drawn amount of the facility will vary with changes in the underlying interest rate which may result in an increase in financing costs. The Group's drawings under its bank facility float at a margin over the higher of 3 months Euribor or 0% at drawing and quarterly reset dates and therefore the impact of a rise in 3 months Euribor to 1% for a full year on drawings as at 31 December 2019 would be approximately €0.21m (2018:€0.06m), and if the facility were fully drawn would be €0.30m (2018: €0.20m).

The Group is also exposed to interest rate risk on its cash and cash equivalents. There were €14.38m uninvested Group funds held within Bank of Ireland, Allied Irish Bank and Societe Generale accounts at 31 December 2019 (2018: €4.36). These balances attract low interest rates and therefore a relative increase or decrease in their interest rates would not have a material effect on the Consolidated Statement of Comprehensive Income.

(b) Currency risk

The Company has a sterling bank account with Societe Generale. As at 31 December 2018 the amount outstanding was £6,202 (2018:£18,168). This amount is judged sufficient to settle expected sterling payments due to service providers. As such, the Company had minimal foreign exchange exposure.

(ii) Liquidity risk

Liquidity risk is the risk the Group may encounter difficulties in meeting the obligations associated with its financial liabilities settled by cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors the level of expected cash inflows on trade and other receivables, together with expected cash outflows on trade and other payables and capital commitments.

Detailed below are the contractual maturities of the Group's financial liabilities;

2019:	Carrying Value	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years	Total contractual amount
Borrowings	**20,419,260**	**297,440**	**297,440**	**594,879**	**20,419,260**	-	**21,609,018**
Trade and other payables	**3,561,604**	**3,344,401**	**201,150**	-	-	-	**3,545,551**
Total carrying amount	**23,980,864**	**3,641,841**	**498,590**	**594,879**	**20,419,260**	-	**25,154,569**

2018:	Carrying Value	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years	Total contractual amount
Borrowings	5,840,398	159,101	159,1	319,703	6,508,152	-	7,146,056
Trade and other payables	1,930,902	1,930,902	-	-	-	-	1,930,902
Total carrying amount	7,771,300	2,090,003	159,100	319,703	6,508,152	-	9,076,958

28. Financial instruments – risk management and fair value (continued)

(iii) Credit risk

Cash and cash equivalents: cash and cash equivalents are held with major Irish and European banking institutions. These banking institutions and their short term ratings are listed below (ratings for each are from Standard and Poors/Moody's/Fitch):

- Societe Generale S.A. has short term unsecured debt ratings of A-1/P-1/F1
- Allied Irish Bank plc has short term unsecured debt ratings of A-2/P-2/F3
- The Governor and Company of the Bank of Ireland has short term ratings of A-2/P-1/F2

Trade and other receivables: rents and licences are generally received monthly in advance or quarterly in advance from tenants. The balance of trade and other receivables has no concentration of credit risk as it comprises mainly prepayments.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of its customers. Trade and other receivables relate mainly to the Group's property tenants. The day-to-day management of the Group's customers is managed by appointed property agents under the oversight of the Group's internal property management group.

The Group applies the simplified approach to trade receivables for which expected credit losses uses the lifetime expected credit allowance. The Group has no exposure to bad debts as the majority of the Group's rental income is from State bodies or FDI entities as they have good credit standing. The payment and credit performance of these tenants is closely monitored; therefore, the expected credit loss is not material and has not been presented.

There was no credit loss in the year as a result of the Directors' assessment.

Detailed below are the carrying amount of the Group's financial assets as the maximum amount of exposure to credit risk;

	31 December 2019 €	5 April 2018 to 31 December 2018 €
Trade and other receivables	**3,477,065**	565,100
Cash and cash equivalents	**14,577,461**	4,823,734
Balance at end of period	**18,054,526**	5,388,834

Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The key performance indicators used in evaluating the achievement of strategic objectives are return on capital, growth in NAV and dividends to ordinary shareholders (dividend per share) as well as the total return of the Group's property portfolio.

Capital consists of share capital, reserves and retained earnings. At 31 December 2019 the equity of the Group was €109.92m (2018: €75.13m).

The Group seeks to leverage capital in order to enhance returns. Refer to note 20 for more details.

The Group's share capital is publicly traded on the Euronext Growth market of Euronext Dublin and the Alternative Investment Market of the London Stock Exchange.

Notes to the Consolidated Financial Statements (continued)

29. Contingent Liabilities

The Group has not identified any contingent liabilities which are required to be disclosed in the Consolidated financial statements.

30. Events after the reporting period

On 23 January 2020 the Company appointed Liberum Capital Limited as joint corporate broker and Nominated Adviser. Goodbody Stockbrokers UC continues as joint corporate broker and has been appointed as Euronext Growth Adviser.

On 31 January 2020 the Company agreed a €9.9 million increase to its three year floating rate loan facility with Allied Irish Banks, p.l.c. ("AIB") bringing the total Facility to €39.0 million. The Facility is in place until December 2021, secured on certain of Yew Grove's properties, and interest is charged on a margin over three month Euribor.

On 06 February 2020 the Company completed the acquisition of a portfolio of six office buildings at Millennium Park, Naas, County Kildare (the "Portfolio"). The purchase price for the Portfolio is €25.3 million which represents a net initial yield of 5.8 per cent. after accounting for purchase costs. The Portfolio has reversionary potential expected to yield in excess of 9 per cent. The Portfolio has 141,000 sq. ft. of modern offices over six buildings, as well as 773 carparking spaces and a six-acre greenfield site. Five of the office buildings are tenanted by foreign direct investment ("FDI") and large Irish enterprises, with one of the buildings being vacant. The combined leases have a weighted average unexpired lease term (WAULT) to break of approximately 2.5 years and to lease expiry of approximately 5 years. The current annual rent roll for the Portfolio is approximately €1.6 million.

On 13 February 2020 the Company declared the payment of an interim dividend for the fourth quarter in respect of the period ended 31 December 2019 of €1,160,350 for 1.04 cents per ordinary share. This was paid to shareholders on 19 March 2020.

On 3 March 2020 the Company agreed a €10.1 million increase to its three year floating rate loan facility with Allied Irish Banks, p.l.c. ("AIB") bringing the total Facility to €49.1 million. The Facility is in place until December 2021, secured on certain of Yew Grove's properties, and interest is charged on a margin over three month Euribor.

The long-term impact of Covid-19 is unclear at the date of this report and may have a significant impact on economic forecasts for Irish and Global economic performance over the remainder of 2020 and beyond. Due to the uncertainty of the effect of the Covid-19 pandemic its financial impact on the Company cannot be accurately estimated. The Company will continue to work increasingly closely with tenants and occupiers to monitor the development of the pandemic and assess how the Company will respond to the changing economic environment. The directors believe that the Company has a strong balance sheet, no near term debt maturities and sufficient headroom on its debt facility, and that the Company's well tenanted portfolio is defensive and resilient, even in comparison to other property sectors.

31. Capital commitments

At the Statement of Financial Position, the Group has entered contracts for future capital expenditure of amounting to €268,163. There is a commitment of €120,000 for works at Ashtown Gate for improvements to the estate, the amount is half the full capital expenditure required as this relates to the joint venture, the full amount is recoverable from tenants under the lease agreements over the next three years. Works at Letterkenny have also been committed to with an expected cost of €48,163. It is also expected that a car park is built at the Waterford property with an estimated cost of €100,000, this commitment was taken on as part of the purchase of the property in 2019 and was due to be completed by December 2019, an extension was requested in respect of the development of the car park to 2020.

There are no other capital commitments at the Statement of Financial Position date.

Disclosures under AIFMD (unaudited)

Disclosure required under the Alternative Investment Fund Managers Directive ("AIFMD") for Reports of alternative investment funds ("AIFs") (unaudited)

Financial information disclosures

The Company realised a gain of €0.1 million on sale of one of its investment properties in the financial period from 1 January 2019 to 31 December 2019. Within the total unrealised losses for the same period of €0.8 million disclosed under IFRSs, there is a total of €5.2 million in unrealised losses and €4.4 million in unrealised gains.

Material changes and periodic risk management disclosures

All disclosure requirements to be made to investors prior to investing in the Company are set out on the Company's website, www.ygreit.com.

Remuneration disclosures

The information provided below relates to Ballybunion Capital Limited, the alternative investment fund manager ("AIFM"), and not to Yew Grove REIT plc. The disclosure is required under AIFMD for reports of alternative investment funds ("AIFs").

The AIFM operates under the terms of its remuneration policy which has been developed with due regard to all relevant legislation and regulatory guidance. This remuneration policy is designed to:

- Promote sound and effective risk management
- Not encourage risk taking that is inconsistent with the risk profile, rules or investment policies of the REIT and
- Prevent conflicts of interest.

The AIFM charged a fixed annual fee of €95,883 for its services to the REIT for 2019. There is no variable element to this fee. Total remuneration paid by the AIFM to its staff for the year ended 30 June 2019 (most recent audited figures) was €751,109 which related to an average staff number of 9 during that period. All AIFM staff receive only contracted fixed remuneration where the payment and benefits thereof are not subject to the performance of the REIT. The average number of AIFM staff engaged in providing part-time services to the REIT during the reporting period was 5.

Alternative performance measures

The Group has applied the European Securities and Markets Authority (ESMA) 'Guidelines on Alternative Performance Measures' in this Annual Report and Consolidated financial statements. An alternative performance measure ("APM") is a measure of financial or future performance, position or cashflows of the Group which is not a measure defined by International Financial Reporting Standards ("IFRS").

The following are the APMs used in this report together with information on their calculation and relevance.

APM	IFRS measure for reconciliation	Note	Description
Contracted rent roll	NA		Annualised cash rental income (net of car park licence income) being received as at the stated date
EPRA Earnings per share			Earnings from core operational activities. A key measure of a company's underlying operating results from its property rental business and an indication of the extent to which current dividend payments are supported by earnings
EPRA NAV	IFRS NAV	Note 13	The objective of the EPRA NAV measure is to illustrate the fair value of net assets on an ongoing, long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances (e.g. the fair value of financial derivatives, deferred taxes on property valuation surpluses) are excluded
EPRA NAV per share	IFRS NAV per share	Note 13	EPRA NAV calculated on a diluted basis taking into account the impact of any options, convertibles, etc. that are dilutive.
EPRA Net Initial Yield ("EPRA NIY")	NA		Inherent yield of the portfolio using cash passing rent at the reporting date.
Loan to Value	NA		Outstanding drawings under loan facilities as a percentage of the fair value of the investment properties
Total Debt to Equity Gearing	NA		Outstanding drawings under loan facilities as a percentage of the IFRS nett asset value of the Group
Total Shareholder Return	NA		A measurement of the growth in share value for shareholders (assuming gross dividends are reinvested and share appreciation) over a defined period.

Glossary

CBD: The central business district of a city.

Contracted rent roll: The annualised cash rental income (including car park licence income) being received as at the stated date.

Debt to Equity gearing: The ratio calculated by dividing the amount of drawn loans by the Net Asset Value of the Group.

Dublin Catchment Area: The geographic area within an approximately thirty-minute commute of the M50 motorway.

EPRA: The European Public Real Estate Association.

EPRA EPS: is calculated by dividing EPRA Earnings for the reporting period attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period. EPRA Earnings measures the level of income arising from operational activities. It is intended to provide an indicator of the underlying income generated from leasing and management of the property portfolio and so excludes components not relevant to the underlying net income performance of the portfolio such as unrealised changes in valuation and any gains or losses on disposals of properties.

EPRA NAV: A measures of the fair value of net assets on an ongoing, long-term basis in accordance with guidelines issued by the EPRA while taking into account the dilutive effects of any outstanding options, convertibles, or other financial instruments. The EPRA NAV excludes the net mark-to market value of financial instruments used for hedging purposes where a company has the intention to keep the hedge position until the end of the contractual duration, and deferred tax in respect of any difference between the fair value and the book value of the investment properties.

ERV/Estimated Rental Value: A valuer's opinion as to the open market rental value of a property on a valuation date which could reasonably be expected to be the achievable rent for a new letting of that property on the valuation date. Colloquially referred to as market rent.

Foreign Direct Investment companies ("FDI"): Overseas companies that have established operations in Ireland, often with the assistance of IDA Ireland.

Gross reversionary yield: The reversionary rent roll of a property or group of properties as a percentage of their fair value.

Gross yield at fair value: A calculation of the current expected cash rental return, being the contracted rent roll divided by the fair value of the investment property or properties.

Loan to Value/LTV: The LTV is calculated by dividing the amount of drawn loans by the fair value of the Company's investment properties.

Net Initial Yield ("NIY"): Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.

Net valuation gain: The fair value gain over the period (from the shorter of the time to the last valuation or purchase). Purchases made since the last valuation are initially recognised at price including transaction costs.

Next rent reversion date: The earliest following date at which the Company could be expected to choose to re-let a property at the property's ERV.

Property income: As defined in section 705A of the Taxes Consolidation Act, 1997. It means, in relation to a company or group, the Property Profits of the company or group, as the case may be, calculated using accounting principles, as: (a) reduced by the Property Net Gains of the company or group, as the case may be, where Property Net Gains arise, or (b) increased by the Property Net Losses of the company or group, as the case may be, where Property Net Losses arise.

Property Net Losses: As defined in section 705A of the Taxes Consolidation Act, 1997.

Property Net Gains: As defined in section 705A of the Taxes Consolidation Act, 1997.

Property Profits: As defined in section 705A of the Taxes Consolidation Act, 1997.

Property Rental Business: As defined in section 705A of the Taxes Consolidation Act, 1997.

QIAIF: A Qualifying Investor Alternative Investment Fund.

Rent review: A clause often included in property leases that provides for a periodic adjustment of the rent of a property to the market level of rent.

Reversion: A term used to describe the difference in rent from that which is currently due on outstanding leases and the ERV. Under-rented properties have contracted rents lower than ERV, over-rented properties have contracted rents higher than ERV.

Reversionary rent roll: The annualised cash rental income (net of car park licence income) that would be received if the property or properties were leased at ERV.

Seed portfolio: The portfolio of investment properties owned by the Yew Tree Investment Fund (in Members Voluntary Liquidation) when it was purchased on 8 June 2018.

SME: As defined by Enterprise Ireland, an enterprise that has between 50 employees and 249 employees and has either an annual turnover not exceeding €50m or an annual balance sheet total not exceeding €43m.

State Body: a body established by legislation in the Republic of Ireland which is either entirely or majority owned by the Irish Government

Total debt to equity gearing: The ratio of drawn debt to NAV of the Company.

Total expense ratio ("TER"): The ratio of the Company's annualised expenses, excluding transaction costs, financing costs and capital expenses and a percentage of the average net assets during that period.

Total shareholder return: The growth in share value over a period assuming all dividends are reinvested in shares of the Company when paid.

Vacancy: lettable space owned by the Company which is not let or licenced to a tenant.

WAULT: Weighted average unexpired lease term

Corporate Information

Directors	Barry O'Dowd (Chair, Independent Non-executive Director) Eimear Moloney (Independent Non-executive Director) Garry O'Dea (Independent Non-executive Director) Brian Owens (Independent Non-executive Director) Jonathan Laredo (Chief Executive Officer) Charles Peach (Chief Financial Officer) Michael Gibbons (Chief Investment Officer)
Registered office	4th Floor 76 Lower Baggot Street Dublin 2, Ireland
Company Secretary	Sanne Corporate Administration Services Ireland Limited 4th Floor 76 Lower Baggot Street Dublin 2, Ireland
AIFM	Ballybunion Capital Limited Ashley House Morehampton Road Dublin 4, Ireland
Euronext Growth Adviser and Joint Broker	Goodbody Stockbrokers Ballsbridge Park Ballsbridge Dublin 4, Ireland
Nominated Adviser and Joint Broker	Liberum Capital Limited Ropemaker Place, 25 Ropemaker Street, London EC2Y 9LY

Legal Adviser to the Company as to Irish law	William Fry Grand Canal Square Grand Canal Dock Dublin 2, Ireland
Registrar	Link Asset Services Link Registrars Limited 2 Grand Canal Square Dublin 2, Ireland
Depositary and Custodian	Société Générale S.A., Dublin Branch 3rd Floor, IFSC House IFSC Dublin 1, Ireland
Valuer	Lisney Limited St. Stephen's Green House Dublin 2, Ireland
Auditor	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House 29 Earlsfort Terrace Dublin 2, Ireland

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