



CROMWELL EUROPEAN REIT

INVESTOR PRESENTATION

SGX-ST / NH Securities Virtual S-REITs Corporate Day

26 May 2020



CROMWELL
EUROPEAN REIT

Disclaimer

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Unitholders have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

All figures in this presentation are as at 31 March 2020 and stated in Euro ("EUR" or "€"), unless otherwise stated

1. "capex" refers to capital expenditure
2. "Sponsor" refers to CEREIT's sponsor, Cromwell Property Group
3. The CEREIT Initial Public Offering ("IPO") Prospectus dated 22 November 2017 ("Prospectus") disclosed a profit projection for the period from 1 January 2019 to 31 December 2019. "IPO Forecast" refers to this projection restated to reflect the bonus element in relation to the issuance of 600,834,459 new Units in December 2018 (the "Rights Issue") where applicable
4. "2H 2019" refers to the period from 1 July 2019 to 31 December 2019; "FY 2019" refers to the period from 1 January 2019 to 31 December 2019; "1Q 2020" refers to the period from 1 January 2020 to 31 March 2020; "2Q 2020" refers to the period from 1 April 2020 to 30 June 2020; "FY 2020" refers to the period from 1 January 2020 to 31 December 2020; "3Q 2020" refers to the period from 1 July 2020 to 30 September 2020, "FY 2021" refers to the period from 1 January 2021 to 31 December 2021



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Parc des Docks
Paris, France



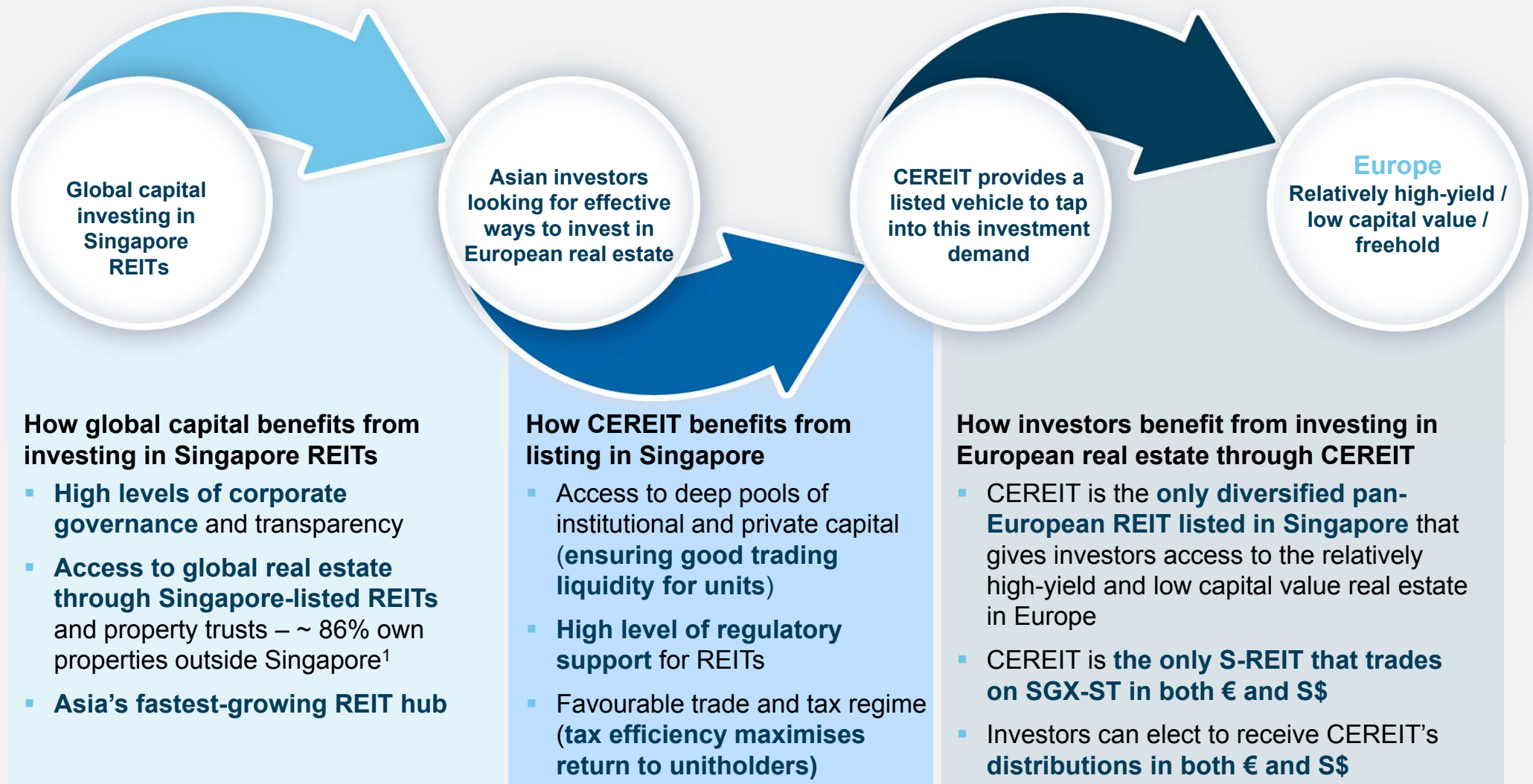
Green Office
Kraków, Poland



CEREIT Investment Case

Why Invest in European Real Estate through SGX-ST Listed CEREIF

Connecting Deep Pools of Asian-Based Global Capital with Attractive-Yielding Real Estate in Europe



Based on information from REITAS website as at April 2020

About Cromwell European REIT

Trusted to Deliver

Our Purpose: To deliver stable and growing distributions and long-term distribution per unit (“DPU”) and net asset value (“NAV”) per unit growth

Our Investment Proposition: Cromwell European REIT offers the opportunity to invest in an income-producing, diversified Pan-European commercial real estate portfolio managed by a trusted and experienced team

Our Strengths

- Resilient Pan-European portfolio diversified across asset classes, geographies, tenant-customers, and trade sectors
- Experienced Manager, backed by a committed EPRA-Nareit Index-included Sponsor Cromwell Property Group with strong Pan-European platform
- Best-practice approach to sustainability, corporate governance and corporate social responsibility



€2.1 BILLION¹
DIVERSIFIED PORTFOLIO



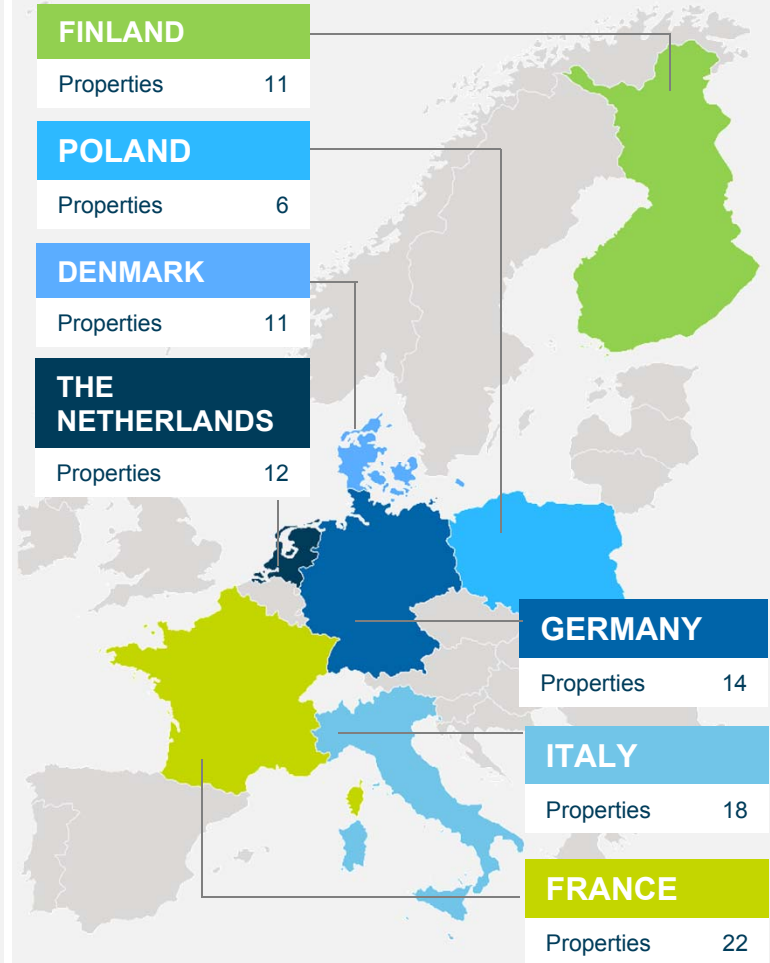
94
PRIMARILY FREEHOLD
PROPERTIES



7
EUROPEAN
COUNTRIES



1.4 million sqm
NET LETTABLE AREA



1. Valuation is based on independent valuations conducted by Colliers and Cushman & Wakefield as at 31 December 2019 for 91 existing properties in the portfolio. The three assets acquired in Germany with completion on 24 March 2020 are being carried at their purchase price

Defensive Core properties in European Gateway Cities



Haagse Poort
The Hague, The Netherlands



De Ruijterkade
Amsterdam, The Netherlands



Bastion
's-Hertogenbosch, The Netherlands



Gewerbepark Hamburg-Billstedt
Hamburg, Germany



Parc Des Grésillons
Paris, France



Green Office
Kraków, Poland



Milano Piazza Affari
Milan, Italy



Bretten
Pforzheim, Germany



Avatar Office
Kraków, Poland



Central Plaza
Rotterdam, The Netherlands



Koningskade
The Hague, The Netherlands



Plaza Forte
Helsinki, Finland



Roma Amba Aradam
Rome, Italy



Hamburg (Moorfleeter Strasse)
Hamburg, Germany



Parc Des Docks
Paris, France



Riverside
Warsaw, Poland



Herstedvang 2-4
Copenhagen, Denmark

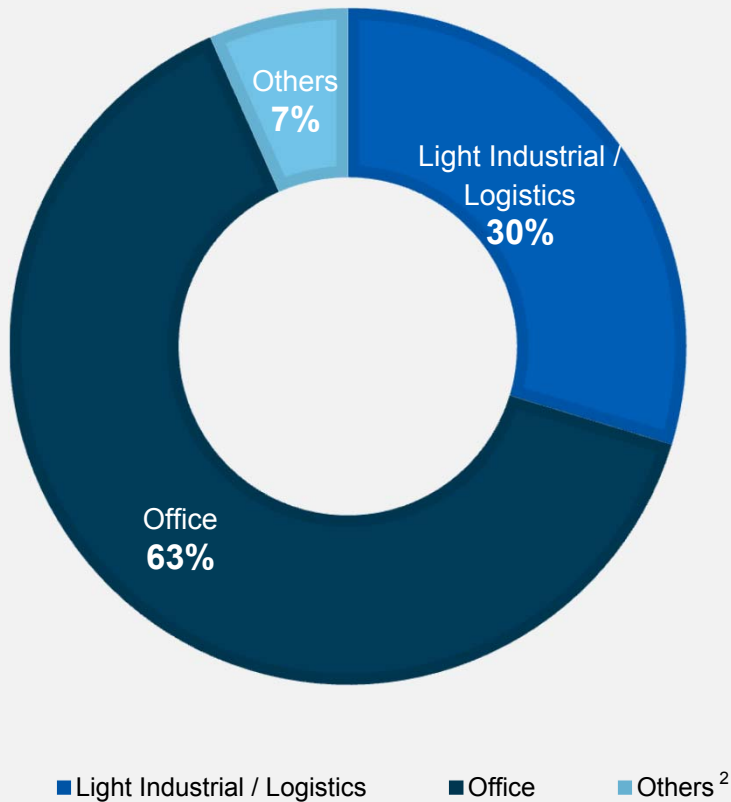


Paryseine
Paris, France

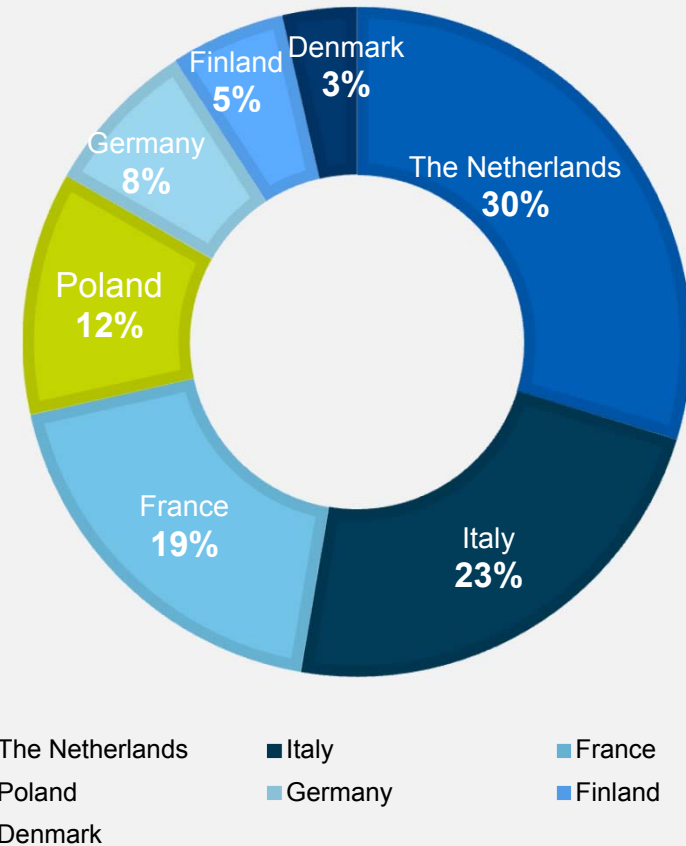
Well-Balanced and Diversified Pan-European Portfolio

€2.1 billion¹ pan-European Portfolio Diversified across Asset Classes and Geographies

Portfolio Breakdown by Asset Class



Portfolio Breakdown by Geography



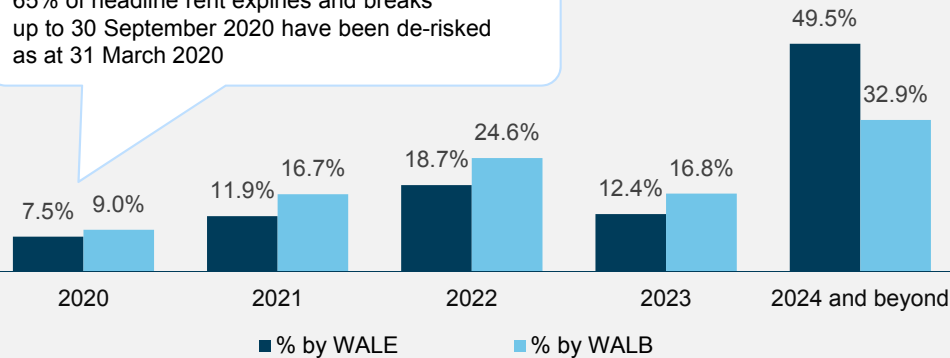
1. Valuation is based on independent valuations conducted by Colliers and Cushman & Wakefield as at 31 December 2019 for 91 properties in the portfolio. The three assets acquired on 24 March 2020 are being carried at their respective purchase prices
 2. Others include three government-let campuses, one leisure / retail property and one hotel in Italy

Diversification and Resilience Underpin Strategy

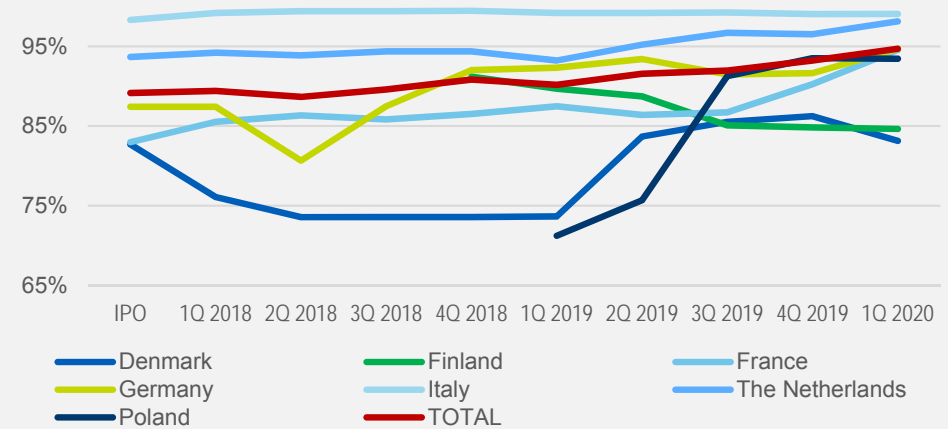
Further uplift in portfolio occupancy, positive rent reversion, high-quality and diversified tenant-customer base, reduced exposure to SMEs and long WALE and WALB

Lease Expiry Profile

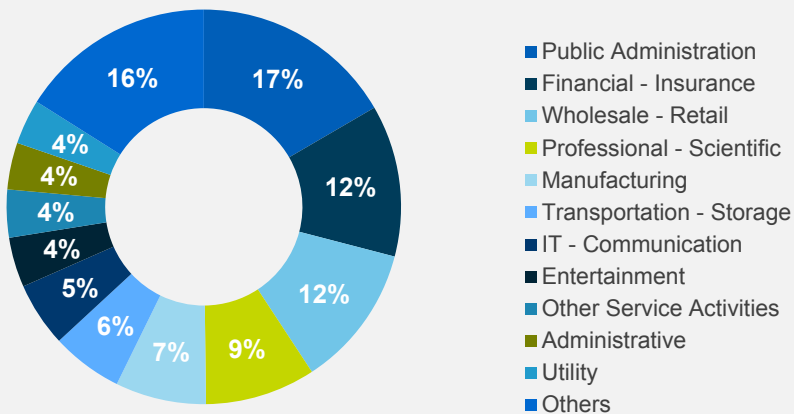
65% of headline rent expiries and breaks up to 30 September 2020 have been de-risked as at 31 March 2020



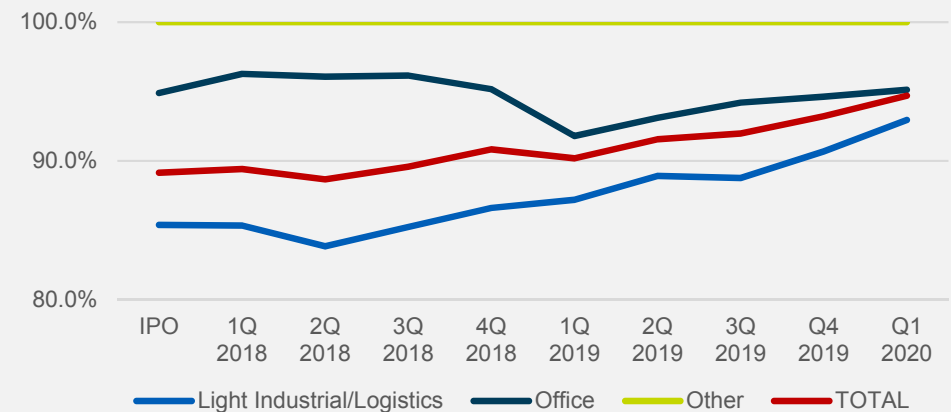
Occupancy by Country



Tenant-Customer Trade Sector Breakdown¹



Occupancy by Sector

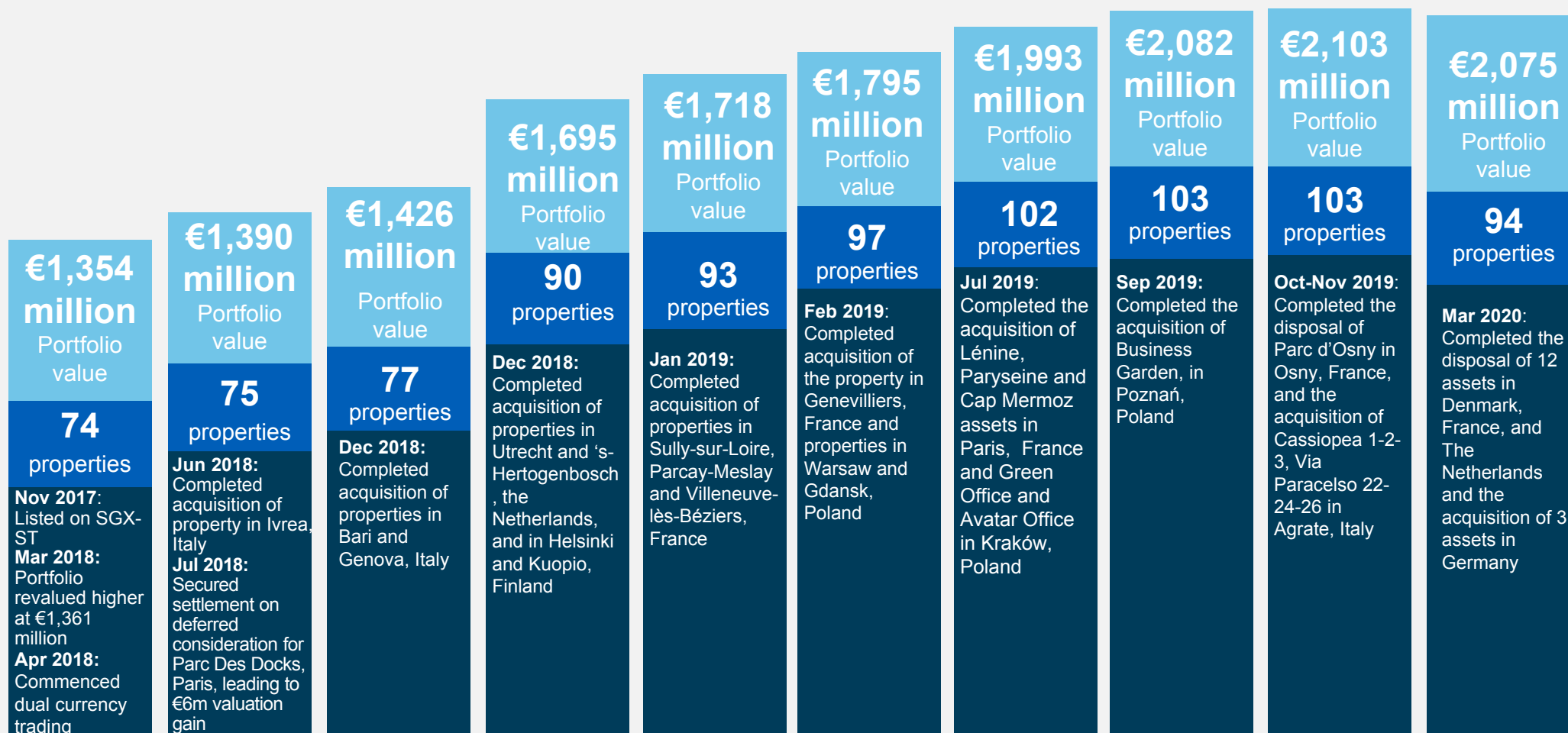


1. By headline rent

CEREIT's Track Record Since IPO

More than 50% Growth in Portfolio Size since IPO

CEREIT Continues to Target Accretive High-Quality Assets in Strategic, "On-Theme" Cities and Markets



Sustainability Framework Well-suited in the Light of COVID-19

Our five-pillar sustainability framework is designed to improve **RESILIENCE** in times such as these and support a responsible and balanced pathway to sustained business success.



| Economics | Governance | Stakeholders | People | Environment |
|---|---|---|--|---|
| <p>We are committed to providing our investors with secure, stable and growing distributions in the long-term, derived from sustainable business practices.</p> | <p>We manage risk and protect our investors' interests through best practice governance processes and procedures.</p> | <p>We actively engage with our key stakeholders in order to understand what matters to them and make a positive contribution.</p> | <p>Our people are our strength. We recognise the power of the individual to make a difference, and the collective power of the team to drive sustainable, competitive advantage.</p> | <p>We are committed to improving the operational performance, and actively reducing the environmental impact of our properties while ensuring stakeholder safety.</p> |

Parc des Grésillons
Gennevilliers, France



Gewerbstraße 62
Bretten, Germany



1Q 2020 Business Update

1Q 2020 Financial and Capital Management Highlights


1Q 2020 Headline Financials

 **€31.0 million**
1Q 2020 NPI¹
17.2% up YoY


 **€25.8 million**
1Q 2020 DI²
15.3% up YoY

 **€0.91 cent**
1Q 2020 available
distributable
income per unit³
In line YoY on a
like-for-like basis

Treasury Management

 **€960.4 million**
total debt
After full draw
down of RCF⁴

 **€228.8 million**
cash in bank
Includes proceeds
of RCF

 **34.5%**
net gearing⁵

73% of portfolio
unencumbered and
8.6xICR⁶

Focus on Preserving Cash

- **Cash amassed**
- **Non-essential capex deferred**
- **Debt covenant-compliant**

1. Net property income

2. Income available for distribution to unitholders

3. Based on the management fee and property management fee being paid 100% in cash. If the fees had been paid 100% / 40% respectively in units as done previously, the available distributable income per unit would have been €1.01 cents. For the distribution payable in respect of 1H 2020, the actual distribution per unit will only be determined after the result for 2Q 2020 has been finalised. Likewise, the actual distribution payout ratio will be determined after taking into account the impact from COVID-19 in 2Q 2020, which cannot be fully quantified at this stage

4. Revolving credit facility

5. Net gearing is calculated as total debt less cash in bank over total assets less cash in bank

1Q 2020 Portfolio Management Highlights

Active Asset Management Drives Organic Growth



94.7%
portfolio
occupancy

Up from 93.2%
as at end
December 2019



12.1%
positive
rent reversion¹

Driven by continued
light industrial / logistics
sector outperformance



4.5-year
WALE²

3.7-year WALB¹

De-Risking the Portfolio



34.3%
exposure to
top 10 tenant-
customers³

Top 10 tenant-customers'
WALE¹ is 4.9 years



~30%
reduction in
exposure to
SME⁴ tenant-
customers



> 65%
of 2020 lease
expiries
de-risked

up to September 2020

Focus on Protecting Income and Reducing Costs

- Focus on timely rent collection
- Minimising non-critical expenses
- Commencement of insurance claims for COVID-19 related insurance policies

1. Rent reversion rate is a fraction where the numerator is the new headline rent of all modified, renewed or new leases over a reference period and the denominator is the last passing rent of the areas being subject to modified, renewed or new leases
2. WALE and WALB as at 31 March 2020. WALE is defined as weighted average lease expiry by headline rent based on the final termination date of the agreement (assuming the leases are not terminated on any of the permissible break date(s), if applicable); WALB is defined as the weighted average lease break by headline rent based on the earlier of the next permissible break date at the tenant-customer's election or the expiry of the lease.
3. By headline rent
4. Small- and medium-sized enterprise(s)

Haagse Poort
The Hague, The Netherlands



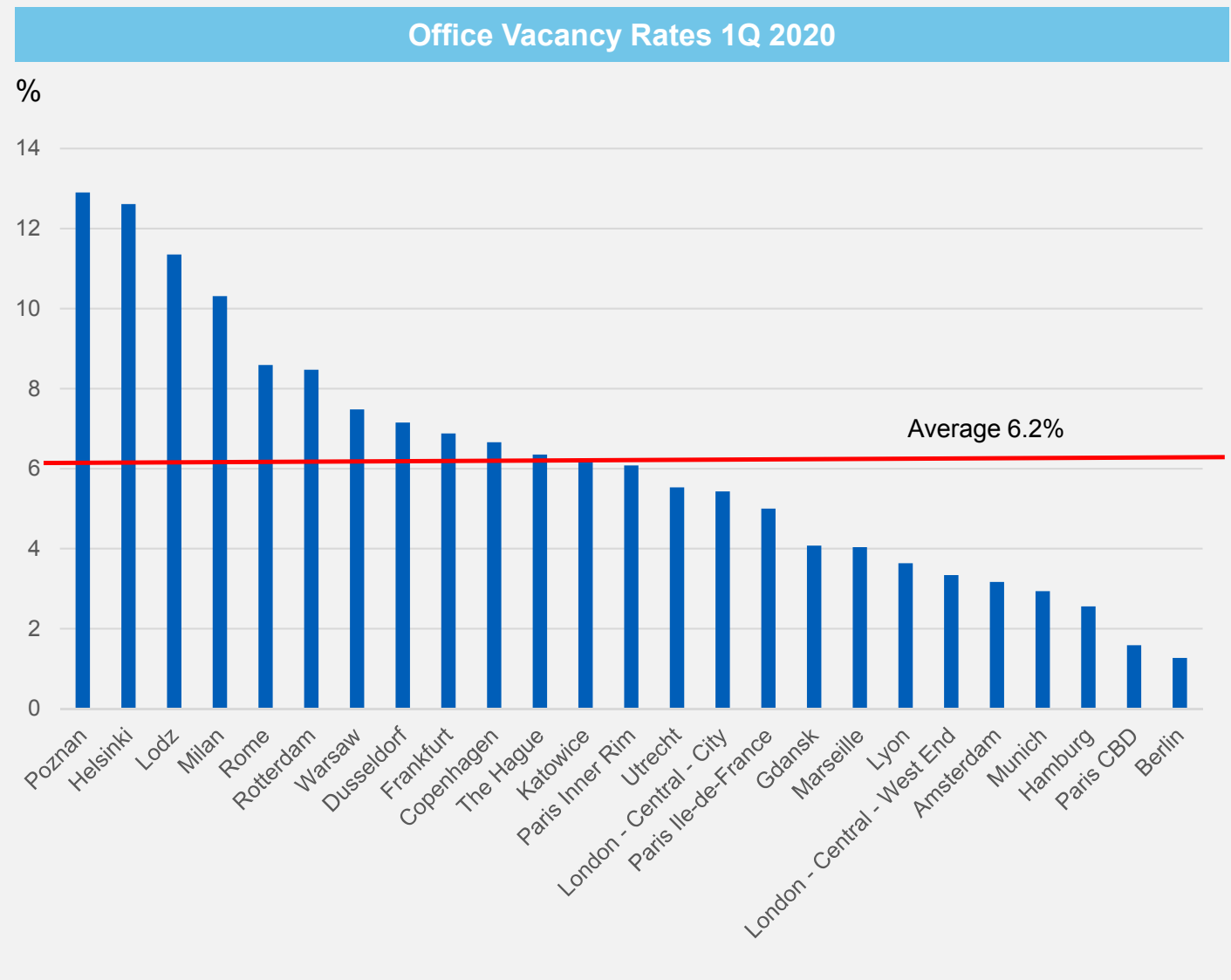
Piazza Affari
Milan, Italy



European Real Estate Investment Case

Robust 1Q 2020 Office Sector Fundamentals

- Strong fundamentals at the end of 2019 that carried over to 2020
- Low vacancy rates
- Limited speculative pipelines
- Some structural vacancy being worked through



Source: CBRE

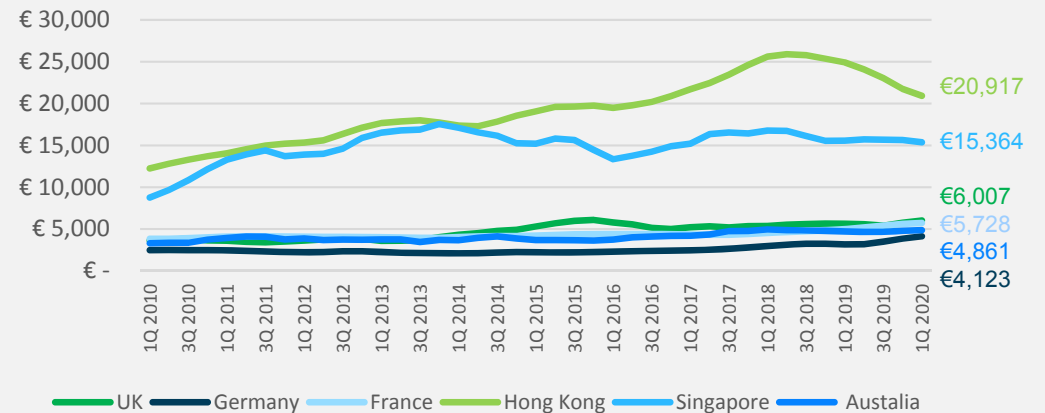
Why Europe?

Attractive Real Estate Market with High Risk Premiums and Relatively Lower Capital Values

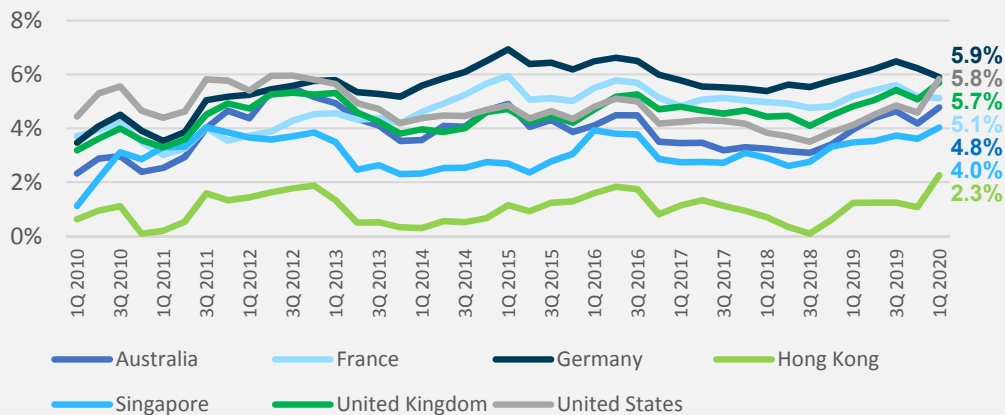
European Real Estate Market Review

- High risk premiums (cap rate – risk free rate) and lower capital values (per sqm) support the case for investing in European markets
- Europe offers higher and more attractive risk premiums (5.9%-5.1%) compared to Australia (4.77%), Singapore (4.03%) and Hong Kong (2.26%)

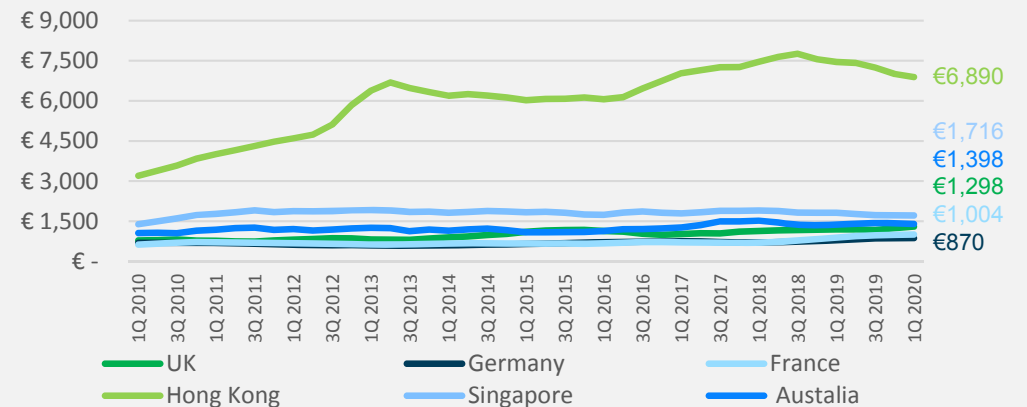
Office Space Price per sqm by Country



Risk Premiums (Cap Rate – Risk Free Rate) in Europe



Industrial Space Price per sqm by Country



Bastion
's-Hertogenbosch, The Netherlands



Riverside
Warsaw, Poland



Key Takeaways

Key Takeaways

€2.1 BILLION PAN-EUROPEAN PORTFOLIO

of office and light industrial / logistics assets is **diverse and resilient**

STRONG AND COMMITTED SPONSOR

Cromwell Property Group has **long and successful track record** in Europe

OUTSTANDING 1Q 2020 RESULTS

with **financial and operational performance** that has positioned CEREIT well for the onset of COVID-19

LONG-TERM FUNDAMENTALS INTACT

with **Europe's commercial markets** coming into 2020 with low vacancy, affordable rents and relatively low capital values

FOCUS ON VALUE PRESERVATION

is an **immediate priority** for CEREIT's Board and management team

RESILIENT PORTFOLIO AND OPERATIONS

with **2Q 2020 key** to determine full-year outlook

Gradual Easing of Lockdowns in Italy from May



Affari 2, Milan, Italy



THANK YOU

If you have any queries, kindly contact:
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