



(a real estate investment trust constituted on 28 April 2017 under the laws of the Republic of Singapore)

Managed by Cromwell EREIT Management Pte. Ltd.

## TREASURY MANAGEMENT INITIATIVES UPDATE

### 1. Introduction

The Board of Directors of Cromwell EREIT Management Limited, the Manager of Cromwell European Real Estate Investment Trust (the “Manager” and “CEREIT”), wishes to provide updates on several treasury management initiatives carried out in FY 2023 that have helped to underpin CEREIT’s resilience amid a challenging external operating environment.

The Manager’s CEO, Simon Garing, commented “It is very pleasing to report that we have completed approximately €492 million of debt refinancing and buyback transactions during FY 2023. This achievement furthers the progress of our strategy to maximise the runway towards the future refinancing of CEREIT’s November 2025 Bonds and to minimise the impact of higher interest rates on DPU.

“Given the €196.5 million in divestments in FY 2023 (at blended 11.7% premium to valuations), the recently completed €50 million bond buyback and the modest decline in CEREIT property valuations as at 31 December 2023 that was published on 15 January 2024, the Manager now anticipates reporting CEREIT’s net gearing<sup>1</sup> at approximately 38.4% as at 31 December 2023, subject to audit and final Board signoff. Notably, CEREIT’s debt is hedged at 88% until the end of 2025 and is well placed to take advantage of the future turn in interest rate and real estate cycles”.

### 2. Details on the treasury management initiatives

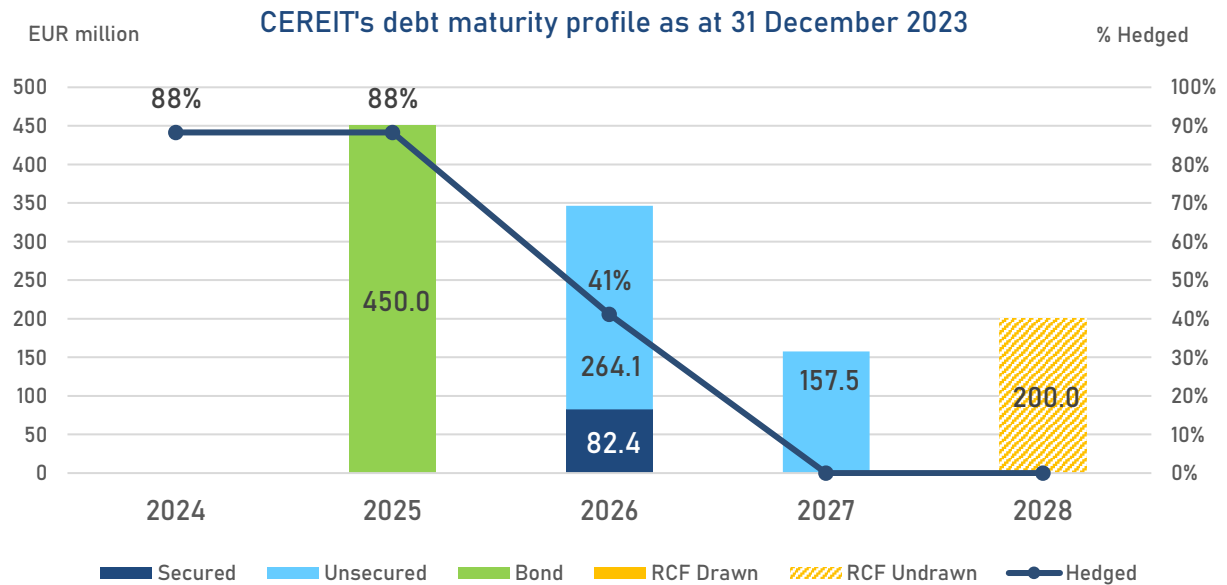
During FY2023, the Manager has carried out several activities such that all of CEREIT’s debt that was scheduled to expire in 2023 and 2024 has been successfully refinanced:

- (i) Refinancing of the €50.6 million loan due to expire in November 2023 into a new sustainability-linked loan of €70.6 million expiring in October 2026;
- (ii) Refinancing of the €165.0 million loan due to expire in November 2024 into a new sustainability-linked loan of €157.5 million with final expiry in August 2027;
- (iii) Increase in commitment of the €180.0 million sustainability-linked loan to €193.5 million by an accordion commitment of €13.5 million in August 2023 from Baiduri Bank;
- (iv) Amending and restating the Revolving Credit Facility from expiry in October 2024 to a new 5-year term expiring in August 2028 and Increase in commitment from €165.0 million to €200.0 million due to an accordion commitment of €35.0 million in December 2023 from Qatar National Bank;
- (v) Repurchasing and cancelling €50 million of the €500 million 2.125 per cent. bonds due 19 November 2025 in December 2023. This initiative has reduced the outstanding bonds to €450 million, and approximately €3 million in profit was booked from the repurchase; and
- (vi) Completing a restructure of an existing interest rate cap to extend its maturity date to November 2026. The new terms are new notional of €160 million with the extension of the cap to November 2026 at a strike of 1.456% with a collar at 1% at zero cost using the net present value of the existing hedge for no further outlay of capital.

Following these initiatives, the weighted average term of debt is 2.5 years, while the weighted average term of the fixed and hedged debt is 2.3 years. The % of fixed/hedged debt is 88% until the end of 2025.

### 3. Debt maturity profile

The latest debt maturity profile of CEREIT is shown in the chart below:



By Order of the Board  
 Simon Garing  
 Executive Director and Chief Executive Officer

Cromwell EREIT Management Pte. Ltd.  
 (Company Registration No.: 201702701N)  
 As manager of Cromwell European Real Estate Investment Trust

18 January 2024

#### ABOUT CROMWELL EUROPEAN REAL ESTATE INVESTMENT TRUST

Cromwell European Real Estate Investment Trust (“Cromwell European REIT” or “CEREIT”) has a principal mandate to invest, directly or indirectly, in income-producing commercial real estate assets across Europe with a minimum portfolio weighting of at least 75% to Western Europe and at least 75% to the logistics/light industrial and office sectors. CEREIT currently targets a majority investment weighting to the logistics/light industrial sector while also investing in core office assets in gateway cities. CEREIT strives to be a resilient, ethical, and socially responsible organisation that contributes positively to all stakeholders, leading to higher risk-adjusted returns while maintaining an appropriate capital structure. CEREIT’s €2.3 billion portfolio comprises 110+ predominantly freehold properties in or close to major gateway cities in the Netherlands, Italy, France, Poland, Germany, Finland, Denmark, Slovakia, the Czech Republic and the United Kingdom, with an aggregate lettable area of approximately 1.8 million sqm and 800+ tenant-customers.

CEREIT is listed on the Singapore Exchange Limited and is managed by Cromwell EREIT Management Pte. Ltd., a wholly-owned subsidiary of CEREIT’s sponsor, Cromwell Property Group<sup>2</sup>, a real estate investor and global real estate fund manager with operations in 14 countries, listed on the Australian Securities Exchange Ltd.

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<sup>1</sup> Net gearing is calculated as aggregate debt less cash over total assets less cash

<sup>2</sup> Cromwell Property Group is a stapled group comprising Cromwell Corporation Limited and Cromwell Diversified Property Trust (the responsible entity of which is Cromwell Property Securities Limited)