



(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.

CROMWELL EUROPEAN REIT DIVESTS TWO ASSETS IN FINLAND AND ITALY FOR €7.2 MILLION

Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them as defined herein

1. Introduction

Cromwell EREIT Management Pte. Ltd., the manager (the “Manager”) of Cromwell European Real Estate Investment Trust (“Cromwell European REIT” or “CEREIT”), wishes to announce that CEREIT has entered into two separate sale and purchase agreements to divest an office asset located at Kielotie 7 (“Grandinkulma”) in Vantaa, Finland, and an ‘others’ asset located at Via Brigata Padova 19 (“Padova”) in Padova, Italy, (collectively, the “Divestments”).

The Manager’s Chief Executive Officer, Mr Simon Garing, said, “I am pleased to announce our two latest divestments of office and non-core assets in Finland and in Italy at a total price of €7.2 million (\$10.5 million) at a blended 2.1% premium to the latest valuations. These transactions, along with the recent sale of Grojecka 5 in Poland, have reduced CEREIT’s exposure to Poland and Finland by 1.7 percentage points to approximately 10.4%, down from 12.0% at the end of 2022 and increased CEREIT’s logistics and light industrial weighting to 53.2% (up from 53.0% as at 31 March 2024).

“Since the beginning of 2022, we have executed €260.5 million in divestments of non-strategic assets at a healthy €31.6 million or 13.8% premium to the latest valuations, assisted by our experienced on-the-ground team in Europe and despite the relative illiquidity and record-low transactions activity in Europe. This is approximately 65% of the target €400 million sales pipeline we set to fully complete in the next couple of years.

“Even though there are very early signs of economic and real estate sector recovery in Europe, our focus remains on keeping CEREIT’s gearing in the 35–40% Board-approved range and maintaining liquidity by preserving cash and keeping sufficient committed undrawn debt facilities. We continue to advance negotiations on other selective divestment opportunities and maintain our judicious use of divestment proceeds towards partial debt repayment, unit and/or bond buybacks and funding of selective accretive AEs and developments.”

2. Grandinkulma

CEREIT (through Vioto Holdco Oy, an indirect and wholly-owned subsidiary), has completed the divestment of Grandinkulma to a local real estate developer.

Grandinkulma was built in 1984 and the total area size is 6,191.4 sqm, spanning retail and office space with parking spaces in the courtyard. It is in Tikkurila, Vantaa, near Ring Road III and the Tikkurila train station and travel centre, in close proximity to Helsinki-Vantaa airport and good access to public transportation.

Grandinkulma was independently valued by Savills Ltd (as commissioned by the Manager, and by Perpetual Asia Limited (“Perpetual”), in its capacity as trustee of CEREIT) at €5.6 million as at 31 December 2023. It is being divested for a consideration of €5.4 million (approximately S\$7.9 million¹).

3. Padova

CEREIT, (through Cromwell Europa 1, an indirect and wholly-owned subsidiary), has completed the divestment of Padova.

Padova is a complex of three standalone buildings with varying heights of one to seven floors, internally connected through an above-ground passage on the first floor, with a basement level comprising warehouses and nine outdoor parking spaces. Located in the city of Padua, in the Veneto region, north-eastern Italy, the property has been used as barracks by the Italian Gendarmerie (Carabinieri).

Padova was independently valued by Savills Ltd (as commissioned by the Manager, and by Perpetual Asia Limited (“Perpetual”), in its capacity as trustee of CEREIT) at €1.45 million as at 31 December 2023. It is being divested for a consideration of €1.80 million (approximately S\$2.63 million¹).

4. Other information

Each of the sale considerations were arrived at on a willing buyer and willing seller basis. The net proceeds from the Divestments will be deployed to repay the revolving credit facility and / or for other working capital purposes.

A divestment fee of €0.04 million (being 0.5% of the sale consideration) is payable to the Manager in accordance with the trust deed constituting CEREIT.

While CEREIT remains a long-term investor in real estate, divestments from time to time are consistent with the Manager's proactive asset management strategy to improve the risk return quality of CEREIT's portfolio. This is in line with CEREIT's primary purpose to provide CEREIT's unitholders with stable and growing distributions and net asset value per unit over the long term.

5. Financial effects of the transactions

Based on the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual, each divestment is a “Non-Discloseable Transaction” within the meaning of Rule 1008 of the Listing Manual.

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)

29 April 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 €2.2 billion portfolio comprises 100+ 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, a real estate investor and fund manager with operations in 14 countries, listed on the Australian Securities Exchange Ltd.

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¹ Based on an exchange rate of 1.46 \$S:1€ as at 24 April 2024