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Cromwell European Real Estate Investment Trust ("CEREIT")

Unaudited Financial Statements Announcement for the Fourth Quarter ended 31 December 2018 and the Financial Period from 30 November 2017 (being the date of listing of CEREIT) to 31 December 2018

Table of Contents:

DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and UBS AG, Singapore Branch are the Joint Issue Managers to the initial public offering of CEREIT (the "Offering"). DBS Bank Ltd., Goldman Sachs (Singapore) Pte. and UBS AG, Singapore Branch are the Joint Global Coordinators to the Offering. DBS Bank Ltd., Goldman Sachs (Singapore) Pte., UBS AG, Singapore Branch, Daiwa Capital Markets Singapore Limited and CSLA Singapore Pte Ltd are the Joint Bookrunners and Underwriters to the Offering.

Introduction

The Cromwell European Real Estate Investment Trust ("CEREIT") was constituted by the Trust Deed dated 28 April 2017 (as amended and restated) between Cromwell EREIT Management Pte. Ltd. as the Manager of CEREIT (the "Manager") and Perpetual (Asia) Limited as Trustee of CEREIT (the "Trustee"). CEREIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017 ("Listing Date").

CEREIT is the first Singapore real estate investment trust with a pan-European portfolio and was established with the principal strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets across Europe used primarily for office and light industrial purposes. The initial IPO portfolio consisted of 74 properties which increased to 75 properties following the acquisition of an office asset in Italy in June 2018.

CEREIT's key objectives are to provide Unitholders with regular and stable distributions, and to achieve long-term growth in distributions per unit ("DPU") and net asset value ("NAV") per unit, while maintaining an appropriate capital structure. CEREIT intends to make semi-annual distributions and distribute 100% of its distributable income ("DI") until the end of 2019 and at least 90% of its DI thereafter.

New Acquisitions

Following the announcement on 30 October 2018 that CEREIT would acquire 18 office assets in the Netherlands, Finland, Poland and Italy, the acquisition of the 2 Italian assets was completed on 5 December 2018 and the acquisition of 13 office assets in the Netherlands and Finland was completed on 28 December 2018. The subsequent acquisition of the 3 Polish office assets was completed on 14 February 2019. The binding offer for 4 French properties and option for another French property was also announced at the same time, and the completion of the acquisition of 3 of the French logistics assets was completed on 23 January 2019 with another completed on 14 February 2019. The remaining French property that was under option, Aulnay-sous-Bois, will not be acquired as the Manager was not satisfied with the outcome of due diligence. These acquisitions were financed through a combination of a successful rights issue in December 2018 which raised gross proceeds of €224.1 million and also from existing and new debt facilities.

As at 31 December 2018, CEREIT's portfolio of real estate assets consists of 90 properties located in France, Italy, Netherlands, Germany, Denmark and Finland with an aggregate lettable area of approximately 1.3 million square metres.

	No. of properties	Lettable Area (sqm)	Valuation[1] (€'000)	Valuation (%)
Office				
Netherlands	7	177,891	530,578	31%
Italy	11	129,762	305,525	18%
Finland	11	61,971	113,120	7%
Total	**29**	**369,624**	**949,223**	**56%**
Light Industrial				
Netherlands	10	82,314	77,350	5%
France	21	332,983	321,600	19%
Germany	11	166,458	113,600	7%
Denmark	13	151,490	81,302	5%
Italy	1	29,638	12,550	1%
Total	**56**	**762,883**	**606,402**	**36%**
Other[2]				
Italy	5	176,577	139,050	8%
Total Portfolio	**90**	**1,309,084**	**1,694,675**	**100%**

(1) Valuation is based on independent valuations conducted on the initial 75 properties by Colliers and Cushman Wakefield as at 31 December and the average of the independent valuations undertaken for the new acquisitions.

(2) Other includes three government-let campuses, one retail asset and one hotel in Italy.

Financial Period

As disclosed in the prospectus of CEREIT dated 22 November 2017 ("Prospectus"), SGX-ST has granted CEREIT a waiver from preparing financial statements and an annual report for the period from Listing Date to 31 December 2017. The annual report for 31 December 2018 will cover the period from CEREIT constitution (28 April 2017) to 31 December 2018 and will also include financial information for the period from Listing Date to 31 December 2018. The total period covered by this financial report announcement is from Listing Date to 31 December 2018 ("Financial Period").

The Prospectus disclosed a 1-month profit forecast for the period from 1 December 2017 to 31 December 2017 ("December 2017 Forecast"), and a full-year profit projection from 1 January 2018 to 31 December 2018 (the "FY2018 Projection"). Accordingly, "IPO forecast" refers to the summation of the December 2017 Forecast and the FY2018 Projection.

CEREIT Results Overview

CEREIT has, on a like for like basis, delivered results which exceed the IPO Forecast.

Income available for distribution of €74.4 million was 1.4% above the IPO Forecast. Adjusted Distribution per Unit ("DPU") for the period from Listing Date to 31 December 2018 was 1.4% ahead of the IPO Forecast with a DPU of 4.70 Euro cents per unit ("cpu") compared to the IPO Forecast of 4.64 cpu. New Units issued pursuant to the Equity Raising in December 2018 rank pari passu in all respects with existing units which includes the entitlement to the distribution to be paid for the period from 1 July 2018 to 31 December 2018. However, the full contribution to earnings for the new acquisitions will be received in financial year 2019 because the properties were either acquired in December 2018 or early 2019. Accordingly, Actual DPU for the period from Listing Date to 31 December 2018, after taking account of the new units issued, was 4.10 cpu.

	Actual 30-Nov-17 to 31-Dec-18	IPO Forecast 30-Nov-17 to 31-Dec-18	Variance %
Gross revenue (€'000)	**135,286**	133,525	1.3%
Net property income (€'000)	**90,180**	86,973	3.7%
Total return for the period attributable to Unitholders	**85,733**	57,580	48.9%
Income available for distribution to Unitholders (€'000)	**74,370**	73,356	1.4%
13-month Actual DPU (cpu)	**4.10**	4.64	(11.6%)
For Information only:			
Earnings per unit (cpu) (1)	**4.99**	n.a.	n.a.
13-month DPU adjusted for Rights Issue (cpu) (2)	**4.70**	4.64	1.4%
12-month FY2018 DPU adjusted for Rights Issue (cpu)(3)	**4.30**	4.30	-
12-month FY2018 Illustrative DPU (cpu) (4)	**3.75**	3.75	-

(1) The EPU has been restated to reflect the bonus element in the new Units issued pursuant to the Rights Issue in December 2018

(2) Adjusted DPU compares actual DPU excluding the rights issue units to IPO Forecast which is on a like for like basis

(3) 12-month FY2018 Adjusted DPU calculates like for like DPU for calendar year 2018 compared against IPO Projection

(4) 12-month FY2018 Illustrative DPU calculates the DPU for calendar year 2018 using the weighted average number of units applicable as a result of the new units being eligible for the distribution for 2H FY2018. The IPO Forecast has also been adjusted by using the same weighted average number of units.

Highlights:

- Gross revenue of €135.3 million was 1.3% higher than the IPO Forecast and Net Property Income ("NPI") of €90.2 million was 3.7% higher than the IPO Forecast over the Financial Period.
- Income available for distribution of €74.4 million was 1.4% above the IPO Forecast of €73.4 million. This equated to a DPU of 4.10 cents, which was lower than the IPO Forecast because of the effects of the rights issue as discussed above. However, on a like for like basis, Adjusted DPU outperformed the IPO Forecast by 1.4% over the Financial Period.

- Net asset value (NAV) was €1,118.8 million, up 35.4% from December 2017 and aggregate leverage of 33.0%, down 160 basis points since 31 Dec 2017 due to the rights issue in December 2018. Total portfolio valuation as at 31 December 2018 is €1.7 billion which includes net unrealised valuation gains of €37.1 million or 1.7 cpu.

4Q 2018 Financial Review

Distributable income for 4Q 2018 was €17.2 million which was slightly higher than the previous quarter.

NPI for 4Q 2018 as disclosed in the table below was €20.9 million which is ahead of the €20.5 million projected in the IPO Prospectus forecast for the same period. However, 4Q 2018 Distributable Income was €0.6 million lower than last quarter largely due to lower NPI in the France light industrial portfolio following lower service charge recoveries than expected. However, this was partially offset by the strong quarter on quarter performance from the Germany light industrial portfolio which was €0.6 million higher driven by better leasing outcomes.

Compared to last quarter, the lower NPI, higher finance costs and trust expenses were more than offset by a more favourable tax position.

Actual vs Forecast Summary by Asset Class and by Country:

	1-Jul-18 to 30-Sep-18 €'000	1-Oct-18 to 31-Dec-18 €'000	**Total period 30-Nov-17 to 31-Dec-18 €'000**	IPO Forecast 30-Nov-17 to 31-Dec-18[1] €'000	Change %
Gross Revenue					
By Asset Class:					
Office	12,497	12,452	52,157	52,196	(0.1%)
Light Industrial	15,108	14,608	66,390	64,933	2.2%
Other	3,847	3,928	16,739	16,395	2.1%
Total	31,452	30,988	**135,286**	133,524	1.3%
By Country:					
Netherlands	9,363	9,177	39,777	40,228	(1.1%)
Italy	9,034	9,191	38,112	36,723	3.8%
France	8,345	7,350	35,691	35,507	0.5%
Germany	2,346	2,965	11,180	10,184	9.8%
Denmark	2,364	2,305	10,526	10,883	(3.3%)
Total	31,452	30,988	**135,286**	133,524	1.3%
Net Property Income					
By Asset Class:					
Office	8,793	8,385	35,744	35,675	0.2%
Light Industrial	9,915	9,778	42,428	39,317	7.9%
Other	2,800	2,766	12,008	11,982	0.2%
Total	21,508	20,929	**90,180**	86,974	3.7%
By Country:					
Netherlands	6,586	6,387	27,387	27,270	0.4%
Italy	6,549	6,629	27,526	26,418	4.2%
France	5,337	4,361	21,685	20,559	5.5%
Germany	1,537	2,231	7,466	6,515	14.6%
Denmark	1,499	1,321	6,116	6,212	(1.5%)
Total	21,508	20,929	**90,180**	86,974	3.7%

Office

CEREIT's office portfolio comprises five office buildings located in the three major cities of the Netherlands (Amsterdam, Rotterdam and The Hague), that contributed 61% of CEREIT's office portfolio's NPI, and eleven office buildings in Italy located mainly in Italy's main two cities (Milan and Rome), that contributed 39% of CEREIT's office portfolio's NPI. Overall the office NPI was in line with the IPO Forecast.

Gross revenue and NPI of the Dutch office assets for the Financial Period was down on IPO Forecast (3.2% and 4.9% respectively) as a result of lower than expected CPI indexation of rents for 2018, as well as slower than expected take up of vacant space at Haagse Poort. Additionally, the structuring of the incentives provided for Coolblue to extend its lease of approximately 10,000 square metres at Central Plaza differ from IPO projections with a portion of rent free spread across 2018. There were also some further IFRS straight-lining adjustments to rental revenue due to varying leasing outcomes compared to the IPO projection. These adjustments, however, do not affect distributable income.

The Italian office portfolio performed better than expected on both a q-o-q and IPO comparison basis due to a savings of letting fees assumed at IPO that were funded by the previous owner and better than expected leasing outcomes, particularly for the Milano Affari property. Notably, the actuals reflect the ownership of the Ivrea asset (acquired in 2Q 2018) and the partial contribution from the Genova and Bari assets (the latter which were acquired in December 2018). These acquisitions were not in IPO projections, and contributed €0.8 million to FY2018 NPI. Removing the impact of these, the Italian Office portfolio was still 1.7% ahead of IPO Forecast.

Note the acquisition of the eleven Finnish and two Netherlands office assets was completed on 28 December 2018 therefore have not contributed to NPI during the Financial Period.

Light Industrial

CEREIT's light industrial portfolio comprises 21 properties in France, 13 properties in Denmark, 11 properties in Germany, 10 properties in the Netherlands and one property in Italy. For the Financial Period, the portfolio performed better than projections with NPI of €42.4 million, 7.9% above IPO Forecast. This result is mainly attributable to the light industrial portfolios in the Netherlands (+22.0%); Germany (+14.8%) and France (+5.6%) while the portfolio in Denmark was marginally behind forecast (-1.5%).

In the Netherlands, the light industrial assets performed significantly better than IPO Forecast, with NPI 22.0% ahead, notably driven by better than expected leasing and occupancy levels at Bohrweg and Veemarkt. Quarter on quarter, NPI increased by €344k.

The German portfolio finished the year with a very strong 4Q FY2018 (a 45% uplift in NPI q-o-q), with NPI for the Financial Period 14.6% ahead of IPO forecasts. Performance was driven by better than forecast leasing outcomes occurring at Stuttgart-Frickenhausen, Straubing and Frankfurt-Hanau with the recent leasing at Stuttgart-Frickenhausen driving the uplift in NPI over the quarter.

The light industrial portfolio in France performed better than IPO forecasts for the Financial Period, with NPI €1.2 million ahead (+5.6%). However, the q-o-q the variance was negative due to lower service charge recoveries.

The light industrial portfolio in Denmark, as noted previously, has been negatively impacted by the departure of the major tenant of the Naverland 12 property located near Copenhagen which was expected to renew its lease, as well as unexpected lease terminations at Naverland 8. As a result, the Financial Period NPI has underperformed IPO forecasts by 1.5%.

Other

Other property assets consist of three government-let campuses, one retail asset and one hotel, all located in Italy. All of these assets are 100% let on long-term leases and have performed in line with IPO Forecast at €12.0 million.

Financial Position

	As at 31-Dec-18	As at 31-Dec-17[1]	Change %
Gross asset value ("GAV") (€'000)	**1,814,842**	1,400,279	29.6%
Net tangible assets ("NTA") (€'000)	**1,118,767**	826,419	35.4%
Gross borrowings before unamortised debt issue costs (€'000)	**598,165**	487,808	22.6%
Aggregate leverage (%)[2]	**33.0%**	35.70%	(2.7%)
Aggregate leverage excluding distribution (%)[3]	**33.6%**	35.90%	(2.3%)
Net Gearing (%)[4]	**30.8%**	31.19%	(0.4%)
Units issued ('000)	**2,181,978**	1,573,990	38.6%
NTA per unit (cpu)	**51.3**	52.5	(2.3%)

(1) The period as at 31-Dec-17 is presented for information purposes only.

(2) As at 31-Dec 2017 included the deferred consideration of €12 million which is retained by CEREIT in respect of Parc des Docks. CEREIT settled the deferred consideration in 3Q FY2018.

(3) As per Prospectus CEREIT committed to distribute 100% of its distributable income at least until the end of the calendar year 2019. Aggregate leverage excluding distribution is calculated by deducting the distributable income not yet distributed at period end from GAV.

(4) Net Gearing is calculated as aggregate leverage less cash over total assets less cash

The increase in the gross asset value compared to 31-Dec 2017 is largely attributable to the acquisition of new properties in Netherlands, France, Italy and Finland, as well as partially from valuation gains on the existing portfolio following the independent valuation of CEREIT's portfolio as at 31-Dec 2018. The acquisitions were partly funded from the proceeds of a rights issue in December 2018 which raised €224.1 million and also partly funded from existing and new debt facilities.

Aggregate leverage at 31 December 2018 is 33.0%, which is slightly lower than 31 Dec 2017 due to the proceeds of the equity raising, of which the remainder will be used in 1Q FY2019 to acquire further assets in France and Poland.

During the quarter CEREIT issued 600,834,459 units pursuant to the rights issue and 3,849,575 new units were issued to the Property Manager representing 40% of Property & Portfolio Management Fees for the period since IPO to 30 June 2018.

At the end of FY2018 a total of 12,635,500 units were issuable for Base Management Fees, Property and Portfolio Management Fees and Acquisition Fees on the assets acquired in December 2018.

1 Unaudited Results for the Financial Period 30 November 2017 (Listing Date) to 31 December 2018

The Directors of Cromwell EREIT Management Pte. Ltd., as Manager of CEREIT, present the unaudited results of CEREIT for the Financial Period.

1A(i) Consolidated Statement of Total Return

	Notes	**Actual 30-Nov-17 to 31-Dec-18 €'000**	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Gross revenue	(a)	**135,286**	133,525	1.3%
Property operating expense	(b)	**(45,106)**	(46,551)	3.1%
Net property income		**90,180**	86,973	3.7%
Net finance costs	(c)	**(11,927)**	(10,826)	(10.2%)
Manager's fees	(d)	**(3,640)**	(3,445)	(5.6%)
Trustee fees		**(178)**	(225)	20.9%
Trust expenses	(e)	**(4,579)**	(2,540)	(80.3%)
Net income before tax and fair value changes		**69,856**	69,936	(0.1%)
Fair value gain / (loss) – investment properties	(f)	**37,141**	(6,338)	N.A.
Fair value gain / (loss) – derivative financial instruments		**(323)**	-	N.A.
Total return for the period before tax		**106,674**	63,598	67.7%
Income tax expense	(g)	**(20,941)**	(6,018)	>100
Total return for the period attributable to Unitholders		**85,733**	57,580	48.9%

1A(ii) Distribution Statement

	Notes	**Actual 30-Nov-17 to 31-Dec-18 €'000**	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Total return for the period attributable to Unitholders		**85,733**	57,580	48.9%
Distribution adjustments	(h)	**(11,363)**	15,775	N.A.
Income available for distribution to Unitholders		**74,370**	73,356	1.4%
Weighted Average Number of Units applicable		**1,812,245**	1,580,947	14.6%
13-month Actual DPU (cpu)		**4.10**	4.64	(11.6%)
Number of Units in Issue (before Rights Issue)		**1,581,143**	1,580,947	0.0%
13-month DPU adjusted for Rights Issue (cpu) (1)		**4.70**	4.64	1.4%
12-month FY2018 DPU adjusted for Rights Issue (cpu) (2)		**4.30**	4.30	-
12-month FY2018 Illustrative DPU (cpu) (3)		**3.75**	3.75	-

(1) In December 2018, 600,834,459 units were issued pursuant to an Equity Fund Raising ("EFR") which raised €224.1 million used to partially fund the New Acquisitions. The new units issued rank pari passu in all respects with existing units which includes the entitlement to the distribution to be paid for the period from 1 July 2018 to 31 December 2018. The contribution to earnings for the new acquisitions will be in the 2019 financial year because the properties were either acquired in Dec 2018 or early 2019. This the standard practice for rights issues by Singapore REITs. Adjusted DPU compares actual DPU excluding the rights issue units to IPO Forecast which is on a like for like basis

(2) 12-month FY2018 Adjusted DPU calculates like for like DPU for calendar year 2018 compared against IPO Projection

(3) 12-month FY2018 Illustrative DPU calculates the DPU for calendar year 2018 using the weighted average number of units applicable as a result of the new units being eligible for the distribution for 2H FY2018. The IPO Forecast has also been adjusted by using the same weighted average number of units.

Notes

(a) Gross Revenue

Gross revenue includes the following items:

	Actual 30-Nov-17 to 31-Dec-18 €'000	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Gross rental income	**115,148**	112,247	2.6%
Service charge income	**19,726**	21,237	(7.1%)
Other property related income [1]	**412**	40	>100%
Total gross revenue	**135,286**	133,525	1.3%

[1] Other Income comprises advertising billboards and signage, kiosks and other income attributable to the operation of the properties.

(b) Property operating expense

Property operating expense comprises service charge expenses and non-recoverable expenses.

Service charge expenses are generally offset and recoverable by service charge income, and include where applicable, insurance, provision of utilities, land tax, and maintenance and service of common equipment and common areas. Service charge expenses may exceed service charge income due to vacancies within the properties.

Non-recoverable expenses include property insurance, maintenance and repairs, marketing costs, property taxes, leasing costs and property management fees. Leasing costs include payments to third-party brokers and/or the property manager. Property management fees are payable to the property manager. Property management fees are based on 0.67% of deposited property and 40% of the property management fees are paid in units as disclosed in the Prospectus.

Property operating expense includes the following items:

	Actual 30-Nov-17 to 31-Dec-18 €'000	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Service charge expenses and non-recoverable expenses	**34,502**	36,515	5.5%
Property management fees	**10,604**	10,037	(5.7%)
Total property operating expense	**45,106**	46,551	3.1%

(c) Net finance costs

Net finance costs include interest expense on CEREIT's borrowings and amortisation of debt issuance costs as follows:

	Actual 30-Nov-17 to 31-Dec-18 €'000	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Interest expense	**9,166**	8,458	(8.4%)
Amortisation of debt issuance costs	**2,788**	2,368	(17.7%)
Interest income	**(27)**	0	N.M.
Net finance costs	**11,927**	10,826	(10.2%)

N.M. – Not meaningful

(d) Manager's fees

Pursuant to the Trust Deed, the Manager is entitled to a base fee of 0.23% of the deposited property and a performance fee of 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee in each financial year) multiplied by the weighted average number of units in issue for such financial year.

For the 2018 financial year, the performance fee is calculated based on the difference between actual distributable income per unit (DPU) and projected DPU as per the Prospectus.

100% of base and performance fees due to the Manager are paid in CEREIT units at least to the end of the 2019 financial year as disclosed in the Prospectus.

	Actual 30-Nov-17 to 31-Dec-18 €'000	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Manager's base fees	**3,640**	3,445	(5.6%)
Manager's performance fees [1]	-	-	-
Total manager's fees	**3,640**	3,445	(5.6%)

[1] Performance fees are calculated annually and accrued for, if applicable, in the full year result of each financial year. No performance fee is payable for the Financial Period

(e) Trust expenses

Trust expenses include recurring trust expenses such as annual listing fees, valuation fees, legal fees, registry and depository charges, corporate secretarial, accounting, audit and tax adviser's fees, postage, printing and stationery costs, costs associated with the preparation of annual reports, investor communications costs and other miscellaneous expenses.

(f) Fair Value Gain – investment properties

The fair value gain on investment properties represents unrealised valuation gains recorded as a result of independent valuations undertaken on the properties during the year partially offset by the fair value loss generated by expensing the acquisition costs associated with the assets acquired in December 2018 which are carried at net purchase cost.

The respective movements on each portfolio by country are disclosed in note (b) of 1B(i) on page 14.

(g) Income tax expense

Income tax expense includes a deferred tax charge arising from the fair value gain on investment properties. This has been partially offset by a reduction in future tax rates in the Netherlands and France.

	Actual 30-Nov-17 to 31-Dec-18 €'000	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Current tax expense	**5,099**	5,303	(3.9%)
Deferred tax expense	**15,842**	715	>100%
Income tax expense	**20,941**	6,018	>100%

(h) Distribution adjustments

Included in distribution adjustments were the following items:

	Actual 30-Nov-17 to 31-Dec-18 €'000	IPO Forecast 30-Nov-17 to 31-Dec-18 €'000	Variance %
Straight-line rent adjustments and leasing fees	**(1,207)**	(1,331)	(9.3%)
Trustee Fees	**178**	225	(20.8%)
Manager base fees paid in CEREIT units	**3,640**	3,446	5.6%
Property Manager fees paid in CEREIT units	**4,241**	4,015	5.6%
Amortisation of debt issuance costs	**2,788**	2,368	17.7%
Fair value adjustments – investment properties	**(37,141)**	6,338	N.M.
Fair value adjustments – derivative financial instruments	**323**	-	N.M.
Net foreign exchange gain	**(28)**	-	N.M.
Deferred tax expense	**15,842**	715	N.M.
Total distribution adjustments	**(11,363)**	15,775	N.M.

[1] Please refer to note (f) and (g) above for explanation of these variances

N.M. – Not meaningful

(g) Distribution to Unitholders

CEREIT's distribution policy is to distribute 100% of CEREIT's annual distributable income for the period from the Listing Date to the end of the 2019 financial year. Thereafter, CEREIT will distribute at least 90% of its annual distributable income for each financial year. The actual level of distribution will be determined at the Manager's discretion.

Statement of Total Returns – Half Year ended 30 June 2018 (including from Listing Date to 31 December 2017) and Half Year ended 31 December 2018

As disclosed in the Prospectus, SGX-ST has granted CEREIT a waiver from preparing full year financial statements and an annual report for the period from Listing Date to 31 December 2017. The annual report for 31 December 2018 will cover the period from CEREIT constitution (28 April 2017) to 31 December 2018 and will also include financial information for the period from Listing Date to 31 December 2018. The total period covered by this announcement is the date from Listing Date to 31 December 2018.

The table below provides a breakdown of the Consolidated Statement of Total Return for the two distribution periods to date, being Listing Date to 30 June 2018 and 1 July 2018 to 31 December 2018.

	Actual 30-Nov-17 to 30-Jun-18 €'000	Actual 1-Jul-18 to 31-Dec-18 €'000	**Total period 30-Nov-17 to 31-Dec-18 €'000**
Gross revenue	72,845	62,441	**135,286**
Property operating expense	(25,102)	(20,004)	**(45,106)**
Net property income	47,743	42,437	**90,180**
Net finance costs	(6,114)	(5,813)	**(11,927)**
Manager's fees	(1,918)	(1,722)	**(3,640)**
Trustee fees	(86)	(92)	**(178)**
Trust expenses	(2,508)	(2,071)	**(4,579)**
Net income before tax and fair value changes	37,117	32,739	**69,856**
Fair value gain / (loss) – investment properties	31,510	5,631	**37,141**
Fair value gain / (loss) – derivative financial instruments	(271)	(52)	**(323)**
Total return for the period before tax	68,356	38,318	**106,674**
Income tax expense	(18,996)	(1,945)	**(20,941)**
Total return for the period attributable to Unitholders	49,360	36,373	**85,733**

	Actual 30-Nov-17 to 30-Jun-18 €'000	Actual 1-Jul-18 to 31-Dec-18 €'000	**Actual 30-Nov-17 to 31-Dec-18 €'000**
Total return for the period attributable to Unitholders	49,360	36,373	**85,733**
Distribution adjustments	(9,298)	(2,065)	**(11,363)**
Income available for distribution to Unitholders	40,062	34,308	**74,370**
Applicable Number of Units issued and issuable	1,581,143	2,194,613	**1,812,245**
Actual DPU (cpu)	2.53	1.57	**4.10**
Number of Units in Issue (before Rights Issue)	1,581,143	1,581,143	**1,581,143**
DPU adjusted for Rights Issue on a like for like basis (cpu)(1)	2.53	2.17	**4.70**
FY2018 Adjusted DPU (cpu)(2)	2.13	2.17	**4.30**

(1) Adjusted DPU excludes the units issued pursuant to the EFR in order to show DPU on a like for like basis. Note that Adjusted DPU for the period from 30 Nov 2018 to 30 Jun 2018 represents a period of 7 months.

(2) FY2018 Adjusted DPU calculates like for like DPU for 1H and 2H FY2018.

Statement of Total Returns – 4Q FY2018 compared to 3Q FY2018

The table below provides a breakdown of the Consolidated Statement of Total Return for the calendar quarter from 1 July 2018 to 30 September 2018 and for the calendar quarter from 1 October 2018 to 31 December 2018.

	Quarter 1-July-18 to 30-Sep-18 €'000	Quarter 1-Oct-18 to 31-Dec-18 €'000	**Half Year 1-Jul-18 to 31-Dec-18 €'000**
Gross revenue	31,453	30,988	**62,441**
Property operating expense	(9,945)	(10,059)	**(20,004)**
Net property income	21,508	20,929	**42,437**
Net finance costs	(2,724)	(3,089)	**(5,813)**
Manager's fees	(844)	(878)	**(1,722)**
Trustee fees	(34)	(58)	**(92)**
Trust expenses	(950)	(1,121)	**(2,071)**
Net income before tax and fair value changes	16,956	15,783	**32,739**
Fair value gain / (loss) – investment properties	(142)	5,773	**5,631**
Fair value gain / (loss) – derivative financial instruments	71	(123)	**(52)**
Total return for the period before tax	16,885	21,433	**38,318**
Income tax expense	(4,671)	2,726	**(1,945)**
Total return for the period attributable to Unitholders	12,214	24,159	**36,373**

The review of 4Q FY2018 vs 3Q FY2018 is shown in Page 4.

Distribution Statement – Period Breakdown

	Quarter 1-July-18 to 30-Sep-18 €'000	Quarter 1-Oct-18 to 31-Dec-18 €'000	**Half Year 1-Jul-18 to 31-Dec-18 €'000**
Total return for the period attributable to Unitholders	12,214	24,159	**36,373**
Distribution adjustments	4,876	(6,939)	**(2,063)**
Income available for distribution to Unitholders	17,090	17,220	**34,310**
Applicable Number of Units in Issue and issuable	1,584,391	2,194,613	**2,194,613**
Announced DPU for 3Q FY2018 (cpu)[(1)]	1.08		
Actual DPU (cpu)[(1)]	0.78	0.79	**1.57**

(1) Announced DPU for 3Q FY2018 DPU is shown as per announcement in November 2018. However, DPU 2H FY2018 is calculated on the enlarged capital base as the rights issue units are eligible for the distribution for the period from 1 July 2018 to 31 December 2018

1B(i) Consolidated Balance Sheets

	Notes	Group			Trust		
		As at 31-Dec 2018 €'000	As at 31-Dec 2017[1] €'000	Increase/ (Decrease) %	**As at 31-Dec 2018 €'000**	As at 31-Dec 2017[1] €'000	Increase/ (Decrease) %
Current assets							
Cash and cash equivalents		**57,755**	74,155	(22.1%)	**15,732**	16,707	(5.8%)
Receivables	(a)	**49,719**	25,967	91.5%	**40,586**	3,544	>100%
Current tax assets		**227**	189	20.1%	**-**	-	-
Total current assets		**107,701**	100,311	7.4%	**56,318**	20,251	>100%
Non-current assets							
Investment properties	(b)	**1,690,224**	1,289,395	31.1%	**-**	-	-
Investments in subsidiaries	(c)	**-**	-	-	**1,078,007**	498,533	>100%
Receivables		**688**	806	(14.6%)	**-**	-	-
Loans to subsidiaries	(d)	**-**	-	-	**-**	375,003	N.A.
Derivative financial instruments	(e)	**5**	23	(78.3%)	**-**	-	-
Deferred tax assets	(f)	**16,224**	9,744	66.5%	**-**	-	-
Total non-current assets		**1,707,141**	1,299,968	31.3%	**1,078,007**	873,536	23.4%
Total assets		**1,814,842**	1,400,279	29.6%	**1,134,325**	893,787	26.9%
Current liabilities							
Payables		**43,557**	49,688	(12.3%)	**74,991**	15,318	>100%
Current tax liabilities		**2,113**	1,236	71.0%	**-**	-	-
Derivative financial instruments	(e)	**271**	164	65.2%	**-**	-	-
Other current liabilities		**30,899**	22,347	38.3%	**-**	-	-
Total current liabilities		**76,840**	73,435	4.6%	**74,991**	15,318	>100%
Non-current liabilities							
Payables		**742**	2,124	(65.1%)	**-**	-	-
Borrowings		**591,733**	481,038	23.0%	**21,519**	32,222	(33.2%)
Derivative financial instruments	(e)	**-**	2	N.A.	**-**	-	-
Deferred tax liabilities	(f)	**21,531**	5,224	>100%	**-**	-	-
Other non-current liabilities		**5,229**	12,037	(56.6%)	**-**	-	-
Total non-current liabilities		**619,235**	500,425	23.7%	**21,519**	32,222	(33.2%)
Total liabilities		**696,075**	573,860	21.3%	**96,510**	47,540	>100%
Net assets attributable to Unitholders		**1,118,767**	826,419	35.4%	**1,037,815**	846,247	22.6%
Represented by:							
Unitholders' funds		**1,118,767**	826,419	35.4%	**1,037,815**	846,247	22.6%

(1) The period as at 31-Dec-17 is presented for information purposes only

Notes

(a) Receivables

Receivables as at 31 December 2018 have increased generally due to two reasons: Refundable deposits of €18.1 million on the French and Polish acquisitions that have not yet been completed, and €10.8 million was invoiced in advance in relation to an Italian tenant, which was fully paid in January 2019.

(b) Investment properties

As at 31 December 2018, 75 investment properties have been independently valued by either Cushman & Wakefield LLP or Colliers International LLP. The carrying value for the 15 new properties acquired in 4Q FY2018 is based of the respective purchase prices as this is assessed by the Directors of the Manager to be fair value. The carrying amount of CEREIT's investment properties as at quarter-end and movements in the carrying amount since IPO were as follows:

	France €'000	Italy €'000	Netherlands €'000	Germany €'000	Denmark €'000	Finland €'000	Total €'000
Independent valuation dated 31-Dec-18	321,600	457,125	607,928	113,600	81,302	113,120	1,694,675
Adjustments to carrying amount:							
Finance lease liability[1]							4,979
Unspent vendor funded capital expenditure[2]							(8,466)
Other							(964)
Total adjustments							(4,451)
Carrying amount at 31 December 2018							**1,690,224**
Movements during the period:							
Balance at 31-Mar 2018	**301,284**	**400,327**	**469,425**	**105,885**	**79,774**	**-**	**1,356,695**
Acquisition price	6,000[3]	16,900	-	-	-		22,900
Acquisition costs	41	577	36	97	11		762
Acquisition accounting adjustments[4]	(1,008)	-	(168)	(685)	(3)		(1,864)
Capital expenditure:							
Lifecycle	436	194	550	77	136		1,393
Leasing fees	222	13	285	100	35		655
Rent straight lining	-	-	258	-	-		258
Net gain / (loss) from fair value adjustments	6,652[3]	(577)	(445)	147	(15)		5,762
Balance at 30-Jun 2018	**313,627**	**417,434**	**469,941**	**105,621**	**79,938**	**-**	**1,386,561**
Acquisition costs	-	175	(659)[5]	(487)[5]	-		(971)
Capital expenditure:							
Lifecycle	790	425	1,026	1,136	7		3,384
Leasing fees	176	-	75	66	-		317
Rent straight lining	-	-	258	-	-		258
Net gain / (loss) from fair value adjustments	(1,113)[3]	(175)	659	487	-		(142)
Balance at 30-Sep 2018	**313,480**	**417,859**	**471,300**	**106,823**	**79,945**	**-**	**1,389,407**
Acquisition price	-	36,025	127,580	-	-	113,120	276,725
Acquisition costs/adjustments		1,272	8,538			(4,219)	14,029
Capital expenditure:							
Lifecycle	37	319	2,953	1,221	-		4,530
Leasing fees	(544)	-	(209)	(268)	47		(974)
Rent straight lining	622	-	(71)	183	-		734
Net gain / (loss) from fair value adjustments	7,645	1,121	(3,045)	4,541	(270)	(4,219)	5,773
Balance at 31-Dec 2018	**321,240**	**456,596**	**607,046**	**112,500**	**79,722**	**113,120**	**1,690,224**

[1] In accordance with International Financial Reporting Standards (IFRS), future ground rent payments for leasehold properties are accounted for as finance lease liability with an equal increase of the investment property carrying amount.
[2] As disclosed in the Prospectus, the vendors of CEREIT's investment property portfolio have provided funding for any budgeted capital expenditure that was budgeted in the 2017 year and had not been incurred at IPO.
[3] The carrying amount of the Parc des Docks property previously included a reduction of the independently assessed value for the deferred consideration of €12 million. The deferred consideration was settled during the period for €6 million. The settlement payment is shown as additional acquisition price for the property with the settlement difference shown as fair value gain. The current period adjustment reflects a further adjustment made for this property.
[4] Following the settlement of the final NAV statements with the vendors of the IPO portfolio.
[5] Adjustment to estimated real estate transfer tax accrued at IPO after final assessment by local tax authorities.

(c) Investments in subsidiaries

Investments in subsidiaries relates to five wholly-owned companies constituted in Singapore. In the Cromwell European Real Estate Investment Trust's (the "Trust") separate financial statements, investments in subsidiaries are carried at cost less impairment losses.

(d) Loans to subsidiaries

Loans to subsidiaries relate to shareholder loans between the Trust's and subsidiaries to the Trust. Loans held by the Trust are carried at amortised cost using the effective interest rate method.

(e) Derivative financial instruments

Derivative financial instruments relate to interest rate swap and cap contracts entered into by CEREIT to fix interest on floating rate borrowings. As at 31 December 2018, 71.2% (31 Dec 2017: 57.9%) of CEREIT's total (drawn) gross borrowings were fixed at a weighted average hedge strike rate of 0.05% (Listing Date: 0.05%) / capped at a weighted average of 0.84% (Listing Date: 0.84%) fixed and capped weighted average of 0.28% (Listing Date: 0.28%).

At 31 December 2018, the notional principal amounts and period of expiry of CEREIT's interest rate swap and cap contracts were as follows:

Hedging Expiry Profile[1]	**As at 31-Dec 2018 €'000**	As at 31-Dec 2017[2] €'000
Less than 1 year	**296,222**	-
1 – 2 years	**-**	152,569
2 – 3 years	**47,373**	-
3 – 4 years	**-**	47,373
4 years and longer	**82,375**	82,375
	425,970	282,317

(1) The Hedging Profile as at 31 December 2018 does not include hedging undertaken in 1Q FY2019 which will increase the amount of borrowings that are fixed.
(2) The period as at 31-Dec-17 is presented for information purposes only.

(f) Deferred Tax Assets/Liabilities

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Recognised deferred tax assets have increased across the portfolio as losses can be recognised to offset the increase in deferred tax liabilities arising from gains in valuation. In addition, a deferred tax asset of €1.5m was acquired as part of the Falcon Finland transaction.

Deferred tax liabilities have increased in the period to reflect the potential taxation arising from recognised valuation gains in the existing portfolio following the independent valuation of CEREIT's portfolio as at 31-Dec-2018.

In calculating the deferred tax liabilities consideration has been taken of expected future reductions in income tax rates in Netherlands and France from 25% to 20.5% and 33.33% to 25% respectively.

1B(ii) Aggregate Amount of Borrowings and Debt Securities

	As at 31-Dec 2018 €'000	As at 31-Dec 2017[1] €'000
Secured – non-current		
Property level financing facilities	**575,340**	454,808
Unsecured – non-current		
Revolving credit facility ("RCF")	**22,825**	33,000
	598,165	487,808
Less: Unamortised debt issuance costs	**(6,432)**	(6,770)
Total non-current borrowings	**591,733**	481,038

Borrowing details

				31-Dec 2018		31-Dec 2017[1]	
Facility	Note	Secured	Maturity	**Facility €'000**	**Utilised €'000**	Facility €'000	Utilised €'000
France Light Industrial	(i)	Yes	Nov-20	**50,000**	**50,000**	50,000	50,000
Denmark Light Industrial	(ii)	Yes	Nov-20	**26,114**	**26,114**	26,202	26,202
Pan-European Light Industrial	(iii)	Yes	Mar-21	**95,000**	**95,000**	95,000	95,000
Dutch Office 1	(iv)	Yes	Nov-20	**57,500**	**57,500**	57,500	57,500
Dutch Office 2	(v)	Yes	Dec-26	**82,375**	**82,375**	82,375	82,375
Italy	(vi)	Yes	Nov-20	**150,000**	**150,000**	150,000	143,731
Finland	(vii)	Yes	Dec-21	**53,750**	**53,750**	-	-
Dutch Office 3	(iix)	Yes	Dec-21	**60,601**	**60,601**	-	-
Revolving Credit Facility	(ix)	No	Jan-20	**100,000**	**22,825**	75,000	33,000
Total borrowing facilities				**675,340**	**598,165**	536,077	487,808

(1) The period as at 31-Dec-17 is presented for information purposes only

Property level financing facilities

All property level financing facilities are secured by first-ranking mortgages over the relevant properties as well as pledges over the receivables of the property holding SPVs, pledges over the entire share capital of the property-holding SPVs, pledges over the receivables of any lease agreements and insurance proceeds pertaining to the relevant properties, a first priority account pledge over all bank accounts of the property-holding SPVs and a pledge over all hedging receivables in relation to the relevant property level financing facility.

(i) France Light Industrial

The Parc facility is secured over 11 French light industrial properties with an aggregate carrying amount of €137.3 million. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate floored at zero plus a loan margin. The EURIBOR 3 months is capped at a strike rate of 0.75% per annum.

(ii) Denmark Light Industrial

The EHI Denmark facility, which is denominated in Danish Krone is secured over 13 Danish light industrial properties with an aggregate carrying amount of €81.3 million. Interest is payable quarterly in arrears at variable rates based on the CIBOR 3 months swap rate plus a loan margin. The CIBOR 3 months swap rate at 31 December 2018 was also -0.310%.

(iii) Pan-European Light Industrial

The EHI Residual facility is secured over 31 light industrial properties located in France, the Netherlands and Germany with an aggregate carrying amount of €375.2 million. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin.

(iv) Dutch Office 1

The CNDP facility is secured over two Dutch office properties with an aggregate carrying amount of €176.9 million. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin. The EURIBOR 3 months is capped at a strike rate of 0.50% per annum

(v) Dutch Office 2

The CECIF facility is secured over three Dutch office properties with an aggregate carrying amount of €226.1 million. Interest is payable quarterly in arrears at a fixed rate of 1.93% p.a.

(vi) Italy

The Italian AIF facilities are secured against 14 Italian office and other type properties with an aggregate carrying amount of €404.2 million. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin The Ivrea, Bari and Genoa properties acquired in 2018, are unencumbered and therefore are not subject to any security claims.

(vii) Finland

The Falcon Finland facility is secured over 11 Finnish office properties with an aggregate carrying amount of €113.1 million. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin. The EURIBOR 3 months swap rate at 31 December 2018 was -0.31% per annum.

(iix) Dutch Office 3

The Falcon Netherlands facility is secured over two Dutch office properties with an aggregate carrying amount of €127.6 million. Interest is payable quarterly in arrears at variable rates based on the EURIBOR 3 months swap rate plus a loan margin. The EURIBOR 3 months is capped at a strike rate of 0.50% per annum

(ix) Revolving Credit Facility ("RCF")

The RCF is unsecured and was put in place to provide CEREIT with additional financing flexibility, working capital and support distribution payments in case of timing differences of distributions from European property SPVs. In December 2018, the RCF expiry date was extended to 27 January 2020.

Loans to subsidiaries

Loans to subsidiaries relate to shareholder loans between the Trust's and subsidiaries to the Trust. Loans held by the Trust are carried at amortised cost using the effective interest rate method.

All-in Interest Rate

The all-in interest rate on the asset level debt is 1.40%. Including the RCF currently partially drawn down, the average all-in interest rate is 1.53%

1C Consolidated Statement of Cash Flows

	Quarter 1-Oct-18 to 31-Dec-18 €'000	**Total 30-Nov-17 to 31-Dec-18 €'000**
Cash flows from operating activities		
Total return for the period	24,159	85,733
Adjustments for:		
Amortisation of lease costs and incentives	(694)	1,762
Effect of recognising rental income on a straight-line basis over the lease term	(734)	(1,283)
Amortisation of debt issuance costs	758	2,788
Manager's fees paid in CEREIT units	-	4,149
Allowance for credit losses	278	676
Change in fair value of investment properties	(5,773)	(37,141)
Change in fair value of derivative financial instruments	123	323
Net foreign exchange loss / (gain)	81	(27)
Changes in operating assets and liabilities:		
(Increase) / decrease in receivables	(12,336)	(29,617)
Increase / (decrease) in payables	6,402	19,506
Movement in current tax assets and liabilities	397	847
Movement in deferred tax assets and liabilities	(8,250)	13,577
Increase / (decrease) in other liabilities	5,446	14,282
Net cash provided by operating activities	**9,857**	**75,575**
Cash flows from investing activities		
Payments for acquisitions of subsidiaries, net of cash	(184,331)	(531,716)
Payments for acquisition of investment properties	(18,156)	(18,156)
Payments for deposits - acquisition of investment properties	(86,753)	(514,555)
Payment for transaction costs	(8,235)	(46,637)
Payments for capital expenditure on investment properties	(4,530)	(10,020)
Net cash used in investing activities	**(302,005)**	**(1,121,084)**
Cash flows from financing activities		
Proceeds from issuance of CEREIT units(1)	224,111	982,205
Proceeds from bank borrowings	163,976	474,676
Repayment of bank borrowings	(70,000)	(298,156)
Payment of equity issue transaction costs	-	(19,595)
Payment for debt issuance costs	(2,059)	(7,617)
Payment to acquire derivative financial instruments	-	(155)
Payment for settlement of derivative financial instruments	-	(964)
Distributions paid to Unitholders	-	(39,906)
Net cash provided by/(used in) financing activities	**316,028**	**1,090,488**
Net increase / (decrease) in cash and cash equivalents	**23,880**	**44,979**
Cash and cash equivalents at beginning of period	33,875	12,776
Cash and cash equivalents at end of period	57,755	**57,755**

(1) IPO proceeds have been used as disclosed in the prospectus, being the acquisition of the properties and/or target corporate entities which directly or indirectly own the IPO properties and transaction costs.

1D(i) Consolidated Statement of Changes in Unitholders' Funds

Group	Units on issue €'000	Reserves €'000	Retained earnings €'000	Total €'000
As at 31-Mar 2018	**846,268**	**113**	**32,987**	**879,368**
Unitholders' transactions				
Issue expenses	(168)	-	-	(168)
Net increase/(decrease) in Unitholder funds resulting from Unitholder transactions	(168)	-	-	(168)
Operations				
Total return for the period	-	-	18,700	18,700
Net increase in Unitholder funds resulting from operations	-	-	18,700	18,700
As at 30-Jun 2018	**846,100**	**113**	**51,687**	**897,900**
Unitholders' transactions				
Issue of units	1,916	-	-	1,916
Distributions	-	-	(39,906)	(39,906)
Net increase/(decrease) in Unitholder funds resulting from Unitholder transactions	1,916	-	(39,906)	(37,990)
Operations				
Total return for the period	-	-	12,214	12,214
Net increase in Unitholder funds resulting from operations	-	-	12,214	12,214
As at 30-Sep 2018	**848,016**	**113**	**23,995**	**872,124**
Unitholders' transactions				
Issue of units for Management Fees	2,233	-	-	2,233
Issue of units pursuant to Rights Issue	224,111	-	-	224,111
Issue expenses	(3,859)	-	-	(3,859)
Net increase/(decrease) in Unitholder funds resulting from Unitholder transactions	222,485	-	-	222,485
Operations				
Total return for the period	-	(1)	24,159	24,158
Net increase in Unitholder funds resulting from operations	-	(1)	24,159	24,158
As at 31-Dec 2018	**1,070,501**	**112**	**48,154**	**1,118,767**

[1] CEREIT was established on 28 April 2017 as a private trust wholly owned by the sponsor Cromwell Property Group. On 20 June 2017, CEREIT acquired the CECIF portfolio of properties comprising three Dutch office properties. The acquisition of the CECIF portfolio was 100% funded through the issuance of units. Unitholder funds as at Listing Date reflect the CECIF acquisition unit issue and trading result of the CECIF properties to Listing Date.

1D(i) Consolidated Statement of Changes in Unitholders' Funds

Trust	Units on issue €'000	Reserves €'000	Retained earnings €'000	Total €'000
As at 31-Mar 2018	**846,268**	**116**	**(493)**	**845,891**
Operations				
Total return for the period	-	-	(996)	(996)
Net increase in Unitholder funds resulting from operations	-	-	(996)	(996)
Unitholders' transactions				
Issue expenses	(168)	-	-	(168)
Net increase in Unitholder funds resulting from Unitholder transactions	(168)	-	-	(168)
As at 30-Jun 2018	**846,100**	**116**	**(1,489)**	**844,727**
Operations				
Total return for the period	-	-	(1,098)	(1,098)
Net increase in Unitholder funds resulting from operations	-	-	(1,098)	(1,098)
Unitholders' transactions				
Issue of units	1,916	-	-	1,916
Distributions	-	-	(39,906)	(39,906)
Net increase in Unitholder funds resulting from Unitholder transactions	1,916	-	(39,906)	(37,990)
As at 30-Sep 2018	**848,016**	**116**	**(42,493)**	**805,639**
Operations				
Total return for the period	-	-	9,691	9,691
Net increase in Unitholder funds resulting from operations	-	-	9,691	9,691
Unitholders' transactions				
Issue of units	226,344	-	-	226,344
Issue Expenses	(3,859)	-	-	(3,859)
Net increase in Unitholder funds resulting from Unitholder transactions	222,485	-	-	222,485
As at 31 Dec 2018	**1,070,501**	**116**	**(32,802)**	**1,037,815**

(1) CEREIT was established on 28 April 2017 as private Trust wholly owned by the sponsor Cromwell Property Group. On 20 June 2017 CEREIT acquired the CECIF portfolio of properties comprising of three Dutch office properties. The acquisition of the CECIF portfolio was 100% funded through issue of units. Unitholder funds as at Listing Date reflect the CECIF acquisition unit issue and trading result of the CECIF properties to Listing Date.

1D(ii) Details of Changes in Units

	Actual 30-Nov-17 to 31-Dec-18 '000
Units on issue prior to Listing Date	**183,934**
On Listing Date:	
Issue of Sponsor units	367,788
Issue of units under the Offering and to cornerstone investors	1,010,354
Acquisition fees paid in units	11,914
Units on issue at 31 December 2017	**1,573,990**
Issue of units for Manager's base fee from IPO to 30 June 2018	3,304
Issue of units for Property Manager fee from IPO to 30 June 2018	3,850
Issue of units under the Rights Issue	600,834
Units on issue at 31 December 2018	**2,181,978**
Units to be issued:	
Manager's base fee payable in units	3,603
Property Manager's management fee payable in units	4,199
Acquisition Fee in relation to France and Netherlands new acquisitions	4,833
Total issuable units at the end of the period	12,635
Total units issued and to be issued at the end of the period	**2,194,613**

1D(iii) Total Number of Issued Units

CEREIT did not hold any treasury units as at 31 December 2018.

	As at 31-Dec 2018 '000
Total units on issue	**2,181,978**

1D(iv) Sales, Transfers, Cancellation and/or Use of Treasury Units

Not applicable.

1D(v) Sales, Transfers and/or Disposal of Subsidiary Holdings

Not applicable.

2 Audit

Whether the figures have been audited or reviewed, and in accordance with which audit standard (e.g. the Singapore Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", or an equivalent standard).

The figures have not been audited or reviewed by the auditors.

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3 Auditors' Report

Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4 Accounting Policies

Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

All balances and transactions of CEREIT are recognised and recorded in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board.

The accounting policies and methods of computation have been consistently applied by CEREIT during the current reporting period. CEREIT has early adopted the new International Financial Reporting Standards ("IFRS") IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers* and revised IFRS (including consequential amendments) and interpretations that are effective for annual financial periods beginning 1 January 2018.

5 Changes in Accounting Policies

The adoption of these new accounting standards, revised standards and interpretations did not result in material changes to CEREIT's accounting policies.

6 Consolidated Earnings per Unit and Distribution per Unit

	Actual 30-Nov-17 to 31-Dec-18
Earnings per unit ("EPU")	
Weighted average number of Units[1]	**1,719,385**
Total return for the period attributable to Unitholders (€'000)	**85,733**
EPU (basis and diluted) (cents) [1]	**4.99**
Annualised FY2018 EPU (basis and diluted) (cents) [1]	**4.65**

[1] The weighted average number of units was based on the number of units on issue at 31 December 2018 and units issuable to the Manager and Property Manager. The weighted average number of units and the EPU have been restated to reflect the bonus element in the new Units issued pursuant to the Rights Issue in December 2018.

	Actual 30-Nov-17 to 31-Dec-18
Distribution per unit ("DPU")	
Weighted average number of Units	**1,812,245**
Income available for distribution to Unitholders (€'000)	**74,370**
DPU (cents)[2]	**4.10**

[2] DPU is calculated based on the weighted average number of units at 31 December 2018 and units issuable to the Manager and Property Manager.

7 Net Asset Value ("NAV")

	Group As at 31-Dec-18	Trust As at 31-Dec-18	Group As at 31-Dec-17	Trust As at 31-Dec-17
NAV[1] at the end of the period (€'000)	**1,118,767**	**1,041,028**	826,419	846,247
Number of Units on issue at the end of the period ('000)	**2,181,978**	**2,181,978**	1,573,990	1,573,990
NAV per unit (cpu)	**51.3**	**47.7**	52.5	53.8
Adjusted NAV per unit (excluding 2H FY2018 distributable income) (cpu)	**49.7**	**47.7**	52.1	53.8

[1] NAV equals net tangible assets ("NTA") as there are no intangible assets carried by CEREIT.

8 Review of Performance

Please refer to section 9 on the review of actual results for the Financial Period against the forecast and projection as disclosed in the Prospectus.

9 Variance between Actual and Forecast/Projection

The Statement of Total Return and Distribution Statement have been compared against the IPO Forecast

Discussion

NPI for Financial Period was 3.7% above IPO Forecast and projection. For a detailed country by country discussion refer to the Results Overview at the beginning of this report.

Net finance costs were €1.1 million above IPO Forecast. This is a result of additional temporary drawdowns on the unsecured Revolving Credit Facility (RCF) during the year, including the drawdown for bridge funding of the Ivrea, Bari and Genoa assets acquired in Italy in 2018. Debt establishment costs were also higher as an extension fee was incurred on the RCF to extend the expiry until January 2020.

Manager base fees, which are calculated based on gross asset value, were marginally higher than IPO forecast and projections due to the higher property valuations as well as a marginal impact from the new acquisitions at the end of FY2018.

Trust expenses were considerably higher than the IPO Forecast mainly a result of certain additional advisory and administrative expenses being incurred following the IPO.

Income tax expense was significantly higher than forecast and projected which is due to deferred tax expense recognised on the valuation increase of investment properties. Excluding this deferred income tax expense, current tax expense is marginally lower than the IPO forecast.

Fair value adjustments could not be projected at IPO date.

Due to the above, income available for distribution to unitholders was 1.4% above the IPO Forecast. However due to the enlarged unit base from the rights issue, and that the new units rank pari passu with existing units and are entitled to the 2H FY2018 distribution, Actual DPU was 11.6% below the IPO Forecast. However, on a like-for-like basis (where the new units are excluded from the DPU calculation, the adjusted DPU for the Financial Period was 1.4% higher than the IPO Forecast. Adjusted DPU for FY2018 was 4.30 cpu which was in line with the IPO Forecast.

The rights issue in December 2018 gave investors the opportunity to acquire new units in the ratio of 38 new units for every 100 existing units at a price of €0.373. Accordingly, an investor who invested in the rights issue would have achieved a total return (defined as earnings per unit divided by net tangible asset value per unit) of 9.5%.

IPO Forecast restated DPU

With respect to FY2019, the Prospectus disclosed an IPO Forecast of 4.40 cpu. On a restated basis to take into account the new units issued (as computed in accordance with Paragraph 46 of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts"), restated FY2019 IPO Forecast DPU is 4.02 cpu.

10 Outlook and Prospects

A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

European macro-economic outlook

- For the fourth year in a row European commercial property investment was in excess of €250 billion. 2018 trading volumes reached €273 billion with levels boosted by a strong last quarter of the year where €90 billion traded.
- Total activity was down by 15% on 2017 investment but activity in many markets is still hovering near record highs and investor sentiment is generally upbeat. It should not be forgotten that 2017 was an exceptional year for real estate.
- Offices were the most targeted sector - 41% of all deals over 2018. The residential sector with 18% just pipped retail (17%) to second position. The industrial sector continues to attract investor interest with 12% of total investment activity across Europe in 2018.
- Indications are that there is still equity looking for opportunities in real estate and, while global uncertainties and geopolitical headwinds are on investors' radar, they do not seem to be deterring investors away from European real estate, although more investors are looking to de-risk making core markets and long income streams more attractive.
- Office yields are at, or close to, historic lows in the majority of European markets following sustained downward pressure. A stabilisation in 2019 is largely expected with potentially a few exceptions as interest rates move out.
- For the fifth consecutive year, the office market drew more than €100 billion in capital. For the first time since 2015, more was spent on CBD offices than non-CBD assets indicating where demand has focused and some of the risk awareness that has started to deter investors from pressing into less liquid markets at a mature point in the cycle.
- There is more balance between international and domestic capital with a 50:50 split in 2018. Asian capital is more active as Singaporean and Korean investors continue to buy into European real estate and while Chinese buying is evident, is somewhat curtailed by capital controls.

Netherlands office sector outlook and trends

- The lack of commercial property is a key constraint to higher levels of investment activity. There is still evidence of plenty of liquidity in the market but after six consecutive years of investment volume growth, many prime assets have already traded and are not expected to come back to the market any time soon. New supply is thus expected to come primarily from new developments, institutional investors' asset-rotation strategies and M&A type deals. In addition, the tight pricing levels have also brought to the fore the opportunities that may exist for smaller assets and more peripheral locations.
- Increasing rents, limited availability and strong demand compressing vacancy rates further will continue to prompt more occupiers to consider alternatives to prime locations resulting in a positive effect on these less developed areas, opening up opportunities for owners in these locations to make buildings more attractive for the modern office user through investing in redevelopments. Investors are also looking beyond Amsterdam - in 2017, total investment in the capital was 32%, falling to 24% in 2018. The strong increase of rental levels makes it attractive to hold property in Amsterdam and, with owners less inclined to sell, active buyers are switching to the other three large cities, accounting for 21% of deals.
- Considering the risks and the turning point in the ECB's monetary policy, investors are likely to take a more cautionary approach in 2019 - this means a strong investment market by historical standards, but perhaps a moderate decline in volume compared to 2018.

Italy office sector outlook and trends

- The fragile economic backdrop and political concerns continue to linger over the Italian investment market and those not familiar with the market are unlikely to venture forth, impacting the overall level of investment activity. Indeed, the increased levels of caution are reflected in 2018 volumes that are 30% lower than 2017.
- However, investors with a track record in Italian real estate will continue to monitor the markets for opportunities. Grade A buildings released by some landlords who are rebalancing their portfolios and consolidating in a handful of core markets or potentially well positioned refurbishment projects are likely to be the most sought after assets.
- Developers are responding to the overall lack of quality space in both Milan and Rome by taking on more construction on a speculative basis. The focus is renovation projects rather than new builds which will prevent the

market being flooded with potentially surplus new stock plus lower grade space that is harder to let thus limiting any dramatic rise in vacancy.

- Despite the weak economic recovery and fragile banking sector, foreign buyers are still active, securing 53% of all office deals in 2018. The expectation is that this will continue, despite the rising level of overall caution. The stock offered to the market has been on the rise with non-performing loan deleveraging programmes as well as liquidating funds and equity investors taking advantage of the improving market conditions to dispose of more liquid holdings.

France office sector outlook and trends

- President Macron appears to enjoy more support from economic sectors and foreign investors than the French population – this is one to watch as undoubtedly it will have an impact on his planned reforms both in terms of roll-out pace and scale. Real estate fundamentals however remain robust and will go some way to act as shock absorbers in the event of an external economic shock, exampled by the 5.4% office vacancy rate in Paris that has been steadily declining for at least the past six years.
- The lack of prime offices, alongside capital waiting to be deployed, has seen the inevitable parallel compression in yields. The search for returns remains an important driver of activity and many investors are and will continue to focus on redevelopment/ repositioning opportunities in established areas, or those that are well connected by public transport, particularly near to the future Grand Paris Express stations. For example, The Pleyel development is benefiting from both the future commissioning of the Grand Paris Express and the 2024 Olympics. Other areas that will gain in popularity are Saint-Denis, Saint-Ouen, Clichy or outside of the Northern Inner Suburbs, particularly the South and East.
- The ability to benefit from the current cycle, which is near its peak, is possible and there is still room for value creation strategies. However, investors will need to be mindful of achieving realistic IRRs which are unlikely to be in double digits and also open to looking outside the capital for potential opportunities.

Germany office sector outlook and trends

- 2019 is likely to see a further fall in availability given the level of pent up occupier demand. Anticipated speculative space is not expected to meet demand, and this is in spite of a slowing economy, and so the current imbalance in supply and demand will continue to be a hurdle for higher levels of take-up.
- Vacancy should fall in 2019 across the Top 7 cities to 3.5% with the supply situation exacerbated by some delayed projects and a scaling back in new completions to only 1.68 million sq.m. Given the low vacancy rates, this should prompt developers to act, but the high capacity utilisation of the construction industry and the relentless rise in development and construction costs are preventing some planned projects from breaking ground.
- Rental growth in the key cities is evident and rises in secondary locations have outpaced this growth, offering attractive alternatives for office users. Over the last five years much stronger growth was generated in secondary and tertiary locations compared to the prime, although this was from a much lower base.
- Tier I locations will continue to attract the bulk of interest despite the historic low yields, the smaller Tier II locations possibly seeing a decline in activity, unable to offer an adequate volume of larger lots that many investors are looking for. With prime yields at historic lows across the main investment markets, careful due diligence is needed with acknowledgement that rental growth will be the most likely element of capital value growth as opposed to yield compression.

Finland office sector outlook and trends

- The Helsinki Metropolitan Area will continue to be the target location for both occupiers and investors as it provides the depth and breadth to the market that investors are looking for. Regional markets are however beginning to attract more attention, and their market share of trading volumes is increasing.
- In 2018, 78% of investment in Finland targeted Helsinki with much of the investment outside of Helsinki through portfolio transactions, with assets located in various cities. Close links with the rest of the Nordic region results in a high proportion of international capital in the market.
- Helsinki offices remain a highly attractive investment where the higher yields on offer compared to some other European markets combined with a stable economy will continue to draw investors. Investment outside of the city centre is expected to increase due to increased development and refurbishment opportunities here.
- Economic growth and expanding businesses will increase demand for office space. The low vacancy rate of 4.3% and supply constraints in the city centre are likely to drive rental growth. High vacancy rates outside of the city centre will not reduce without decommissions of older stock. Rental growth is expected to slow in 2019 but positive growth will continue over the next few years.

Poland office sector outlook and trends

- Near term, some upward pressure on prime rents is expected due to constrained new speculative supply and robust demand which is supporting rising capital values, particularly in Central Warsaw, where the city is benefitting from both positive rental growth and yield compression. Values are on the rise across the board given the weight of capital looking to invest in the Polish office sector and there is growing interest in the key regional cities. The vacancy rate is below 8.7% in all major cities with the exception of Wroclaw where it nudges just above the 9.0% mark.
- However, despite the positive outlook for the next twelve months, an element of caution is expected to surface as investors consider how much further the cycle has to run (particularly so in Warsaw) leading to portfolio diversification and investors increasingly looking at industrial and alternative assets.
- Flexible space operators were very active, taking a 112,000 sq.m of space in Warsaw, equating to 13% of total take-up - 22% in the central areas of the city. Despite the number of active operators in this space, 52% of the demand came from just two: WeWork and IWG (Regus & Spaces). The next two years will be a moment of truth in Poland for the concept of workspace as a service due to the opening of large co-working spaces and serviced offices. We will probably see operators consolidate on the market or rents for such space fall. Flexible workspaces have taken hold on the Polish market with more firms likely to opt for hybrid transactions in 2019, leasing both traditional and flexible office space.

Netherlands Logistics/Industrial Sector outlook and trends

- The continued growth of e-commerce is a key driver of Dutch logistics and while not expected in the short to medium term, any slowdown here will impact market performance. A more pressing challenge likely to play out in 2019 and 2020 is the increasing scarcity of land for development and scarcity of labour, both of which will hold back growth.
- The lack of labour availability and suitable land parcels for development near established hubs is prompting the creation of new logistics locations such as Lelystad and Twente.
- The overall logistics vacancy rate is around 4% and market rents are trending upwards, but growth expectations should be viewed with caution. Logistics operators are less able to translate increased business activity into higher profit margins, putting a cap on the rents they can afford. Expectations are for built-to suit developments where logistics companies share the profits with developers, thus allowing higher rent levels in the sale and leaseback they offer investors.
- Foreign and domestic capital are both active and targeting the industrial sector. 2018 has seen local buyers responsible for 26% of acquisitions, a rise on the 22% in 2017. European investors (ex-domestic Dutch) accounted for 35% of total 2018 trading volumes, while truly global money accounted for 39% over the same period.

France Logistics/Industrial Sector outlook and trends

- The shortage of sought-after large prime assets combined with healthy, record breaking take-up in recent years, has strengthened investor confidence in the underlying fundamentals of the French market. This has renewed developer confidence as well and there has been a notable rise in construction starts.
- Lille, Lyon and Marseille along the north-south logistics axis are benefitting from a lack of supply following healthy demand. With vacancy for quality space below 3%, development lagging, pending authorisations and the challenges of redeveloping brownfield sites, there is room for rental growth.
- Signs are emerging that the end is in sight of the logistics restructuring process for large distribution operators. Activity will continue to be supported by the further expansion and growth of e-commerce –internet sales have risen by 14% y-o-y, and m-commerce has boomed, growing by +50% y-o-y. This is supported by the need, of retailers in particular, to supplement their supply chains with urban logistics schemes in order to satisfy the ever shorter delivery times demanded by consumers.
- The appetite of foreign investors is evident with involvement in around 70% of all transactions since the beginning of 2018 with US funds leading, although Germany and UK investors are active too. The weight of capital targeting core and core + is outweighing product, compressing prime yields to historic lows.

Germany Industrial Sector outlook and trends

- Demand for modern well-located warehouse and logistics space is healthy, helping to erode excess supply and push vacancy rates down further for quality space in particular. City logistics space inside town boundaries remains a niche product partly due to price levels but may face challenges from limited access to some cities due to new emission standards for diesel-powered vehicles. However, as a critical supply chain element in an environment where delivery times are under immense pressure, all parties need to work together.

- The breadth of investors interested in German logistics continues apace and with demand outweighing supply and competition strong for the limited amount of core product, there is room for further prime yield compression in particular. A rising number of investors will start to look up the risk curve in search of yield, diversifying by investigating options in Tier II and III locations and value-add/redevelopment angles as well.
- Occupiers continue to look for new, efficient space but the lack of such space meeting the needs of today's occupiers is a lingering challenge, playing out on multiple levels; location, size and fit-out. Pre-lets dominate the pipeline limiting speculative space, resulting in owner occupiers developing their own space, seeking a quicker route to market in suitable space.
- Given robust demand, construction activity has picked up and a slowdown is not expected near term. While there has been a rise in the amount of owner occupier space and build-to-suit schemes, there has been a notable rise in the amount of speculative construction starts, but space is easily absorbed resulting in the rising dominance of pre-let completions.

Denmark Logistics/Industrial Sector outlook and trends

- Denmark is viewed by many investors as a safe haven given its strong and stable economic environment with low levels of government debt. It has proven, despite the relatively small market size, attractive to international investors over the past few years and this is not expected to change so long as product continues to come to the market. Prime yields are at historic lows but some locations continue to offer a discount of 20 basis points over the Nordics average prime logistics yield of 5.31%. The expectation is for prime yields to remain relatively flat in 2019 as rising interest rates exert pressure on property yields, although there may be some compression for the very best space.
- The Greater Copenhagen area is a significant market with occupiers focusing on areas such as Taastrup, Ishoj Koge and Greve and the Triangle area in Jutland. Liquidity drops relatively quickly outside of the core Copenhagen markets and foreign investors tend to be much less active outside these areas.
- Recent strong demand has eroded supply in the major logistics hubs which are now running out of space and access to labour, with unemployment at historic lows of 5.4%. Occupier demand and development activity will shift to some of the smaller logistics hubs that have room for expansion but even the additional completions will not see vacancy rise above 3.5% in the near-medium term. It will however be critical of any developments to assess multiple factors relating to site accessibility from both a labour perspective and a transport one. Even new schemes that do not meet these criteria will struggle to let.

11 Distributions

	Distribution type	Distribution per unit (in Euro cents)	Total distribution €'000	Book closure date	Payment date
2018					
30-Nov-17 to 30-Jun-18	**Capital**	**2.53**	**39,906**	**21 Aug-18**	**28 Sep-18**
1-Jul-18 to 31-Dec-18	**Exempt Income/ Capital**	**1.57**	**34,455**	**7 Mar-19**	**29 Mar-19**
Total distributions		**4.10**	**74,361**		
2017					
Not applicable					

CEREIT was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017. Accordingly, there are no distributions in prior periods.

CEREIT's distribution policy is to distribute 100% of CEREIT's annual distributable income for the period from the Listing Date to the end of the 2019 financial year. CEREIT will make distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of these dates.

12 Statement regarding Declared/Recommended Distributions

Refer note 11.

13 Interested Person Transactions

If the Group has obtained general mandate from unitholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

CEREIT has not obtained a general mandate from Unitholders for interested person transactions.

14 Use of Proceeds from equity fund raising

Gross Proceeds of €224.1 million from the Rights Issue in December 2018 have been utilised as follows:

	€'000	% of Gross Proceeds
Gross Proceeds from Rights Issue	**224,100**	
Use of Proceeds:		
To partially fund the acquisition of 13 office assets in Netherlands and Finland on 28 Dec 2018	**133,100**	59.4%
To partially fund the Acquisition of the Ivrea, Bari and Genova assets by repaying the RCF on 24 Dec 2018	**34,200**	15.3%
To partially fund the acquisition of 3 logistics properties in France	**2,300**	1.0%
Remaining Proceeds as at 31 Dec 2018	**54,500**	24.3%

The remaining proceeds were subsequently utilised to pay expenses associated with the rights issue, to acquire the 3 office assets in Poland and the 4 logistics properties in France, and to repay debt. Save for the application of €2.25 million which was applied towards repayment of debt facilities as the Manager elected not to proceed with the acquisition of Aulnay, the use of Gross Proceeds is in accordance with the stated use and in accordance with the percentage allocated in the announcement dated 30 October 2018 in relation to the Rights Issue. Accordingly, the proceeds from the Rights Issue have been fully utilised.

15 Confirmation pursuant to Rule 720(1) of the SGX-ST Listing Manual

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

16 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager or in any of CEREIT or its principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Manager or substantial unitholder of CEREIT.

On behalf of the Board
Cromwell EREIT Management Pte. Ltd.
As Manager of Cromwell European Real Estate Investment Trust
(Company Registration No: 201702701N)

Lim Swe Guan	Simon Garing
Chairman	CEO

Important Notice

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Cromwell European REIT and the Manager is not necessarily indicative of the future performance of Cromwell European REIT and the Manager.