

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, CANADA, JAPAN OR AUSTRALIA

This announcement is not for publication or distribution, directly or indirectly, in or into the United States, European Economic Area, Canada, Japan or Australia. This announcement is not an offer of securities for sale in the United States, European Economic Area, Canada, Japan, Australia or any other jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with any applicable state securities laws. There will be no public offering of the securities of CEREIT (as defined herein) in the United States.



(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.

ANNOUNCEMENT

**(I) COMPLETION OF ACQUISITION OF TWO ASSETS IN POLAND
(II) USE OF PROCEEDS FROM THE PRIVATE PLACEMENT**

Capitalised terms used herein, unless otherwise defined, shall have the meaning ascribed to them in the Acquisition Announcement (as defined herein).

1. Completion of Kraków Acquisitions

Further to the announcement dated 21 June 2019 titled “Acquisition of Six Assets in France and Poland” (the “**Acquisition Announcement**”), Cromwell EREIT Management Pte. Ltd., in its capacity as manager of Cromwell European Real Estate Investment Trust (“**CEREIT**”, and the manager of CEREIT, the “**Manager**”), is pleased to announce that CEREIT has on 25 July 2019 through its wholly-owned subsidiary, Cromwell EREIT Lux 3A S.a.r.l., completed the acquisition of the Green Office Asset and the Avatar Asset (the “**Kraków Acquisitions**”, and the completion of the Kraków Acquisitions, the “**Completion**”), through the acquisition of all the shares of Cambil SP. Z o. o. and Kasteli SP. Z o. o., which hold the Green Office Asset and the Avatar Asset, in the city of Kraków, Poland, respectively.

Goldman Sachs (Singapore) Pte. and UBS AG, Singapore Branch are the joint issue managers for the initial public offering of the units in Cromwell European Real Estate Investment Trust (the “**Offering**”). DBS Bank Ltd., Goldman Sachs (Singapore) Pte., and UBS AG, Singapore Branch are the joint global coordinators for the Offering. DBS Bank Ltd., Goldman Sachs (Singapore) Pte., UBS AG, Singapore Branch, Daiwa Capital Markets Singapore Limited and CLSA Singapore Pte Ltd are the joint bookrunners and underwriters for the Offering.

The total cost of the Kraków Acquisitions is approximately €78.2 million (comprising the purchase consideration of €76.6 million¹, the acquisition fee payable to the Manager of approximately €0.8 million, the real estate transfer tax of approximately €0.2 million and the professional and other fees and expenses in connection with the Kraków Acquisitions of approximately €0.6 million). €69.5 million was funded by part of the proceeds of the private placement of 326,086,000 new units in CEREIT (“**Units**”) that raised gross proceeds of approximately €150.0 million (the “**Private Placement**”) and the balance was funded by drawing on CEREIT’s existing revolving credit facility.

The newly acquired properties in Kraków are 100% occupied and have a WALE² of 5.8 years³ (as at 30 June 2019).

Following the Completion, CEREIT’s portfolio comprises 102 properties in Denmark, Finland, France, Germany, Italy, the Netherlands and Poland.

2. Use of Proceeds

As announced on 18 July 2019, €71.4 million, or 47.6% of the gross proceeds of the Private Placement of €150 million (“**Gross Proceeds**”), and €3.9 million, or 2.6% of the Gross Proceeds, had been used to partially fund the New Acquisitions and to pay the estimated fees and expenses incurred or to be incurred by CEREIT in connection with the New Acquisitions, respectively.

Further to the announcements dated 21 June 2019, 1 July 2019 and 2 July 2019 in relation to the Private Placement and the announcement dated 18 July 2019 in relation to the use of proceeds of the Private Placement, the Manager wishes to announce that an additional €69.5 million, or approximately 46.3% of the Gross Proceeds, has been used to partially fund the Kraków Acquisitions, and €5.2 million, or approximately 3.5% of the Gross Proceeds, has been used to pay the estimated fees and expenses, including land transfer taxes, professional fees and expenses, incurred by CEREIT in connection with the Kraków Acquisitions and the Private Placement. Such use is in accordance with the stated use and in accordance with the percentage allocated in the announcement dated 21 June 2019 in relation to the close of the Private Placement. Following this, the Gross Proceeds have been fully utilised.

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

26 July 2019

1 Based on the agreed purchase price for the Green Office Asset and the Avatar Asset of €80.0 million and adjusted for the latest net assets and liabilities to be acquired as part of the Kraków Acquisitions.

2 “WALE” is defined as weighted average lease expiry by headline rent based on the final termination date of the agreement (assuming the tenant does not terminate the lease on any of the permissible break date(s), if applicable).

3 Assumes the confirmation of certain lease extensions which are currently being finalised, pending which (i) an amount of approximately €6.9M has been placed in escrow and (ii) an amount of approximately €2.1M has been deducted from the purchase price to fund expected tenant incentives in relation to these lease extensions.

APPENDIX



Image: Green Office Asset, Kraków, Poland



Image: Avatar Asset, Kraków, Poland

ABOUT CROMWELL EUROPEAN REAL ESTATE INVESTMENT TRUST

Cromwell European REIT is a real estate investment trust (“REIT”) with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate assets in Europe that are used primarily for office, light industrial / logistics, and retail purposes. With a portfolio of 102 properties as at 26 July 2019 in or close to major gateway cities in Denmark, Finland, France, Germany, Italy, the Netherlands as well as Poland, and a balanced focus on the office and light industrial / logistics sectors, it is also the first REIT with a diversified Pan-European portfolio to be listed on Singapore Exchange Securities Trading Limited (“SGX-ST”).

As at 31 March 2019, the last date of the latest publicly announced quarterly results period, CEREIT’s portfolio had 97 properties with an aggregate lettable area of approximately 1.4 million sq m with over 900 tenants and a WALE profile of around 4.7 years. Comprising primarily freehold or ongoing leasehold⁴ assets, the portfolio had an appraised value of approximately €1,795 million as at 31 March 2019.

CEREIT is managed by Cromwell EREIT Management Pte. Ltd., a wholly-owned subsidiary of CEREIT’s sponsor, Cromwell Property Group⁵, a real estate investor and manager with operations in 15 countries, listed on the Australian Securities Exchange Ltd.

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any securities of CEREIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager, Perpetual (Asia) Limited, in its capacity as trustee of CEREIT, the Cromwell Property Group⁵ as the sponsor of CEREIT, the Joint Issue Managers, Joint Global Coordinators, the Joint Bookrunners and Underwriters or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Unitholders have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement may contain forward-looking statements that involve assumptions, 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of CEREIT. The forecast financial performance of CEREIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events.

This announcement is not an offer for sale of the Units in the United States or any other jurisdiction. The Units have not been and will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act, or pursuant to an applicable exemption from registration. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United States securities laws or the laws of any other jurisdiction.

4 Classified as Continuing Leasehold or Perpetual Leasehold. A Continuing Leasehold is agreed in principle for an indefinite period of time but has a fixed ground rent paid to the land owner which must be re-agreed at the end of a certain period, which may result in a termination if the leaseholder and the land owner do not agree on the new ground rent. A Perpetual Leasehold is for an indefinite period of time and the ground rent has been paid off perpetually (which type of leasehold is most similar to a freehold situation).

5 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).