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CROMWELL
EUROPEAN REIT

(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

ACQUISITION OF ELEVEN ASSETS IN THE CZECH REPUBLIC AND SLOVAKIA

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1. INTRODUCTION

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**"), wishes to announce that CEREIT has, through its wholly-owned subsidiaries Cromwell Czech 1 HoldCo s.r.o. and Cromwell Europa 3 HoldCo S.à r.l., (collectively, the "**Purchasers**") entered into a framework agreement (the "**Framework Agreement**") to indirectly acquire a portfolio comprising 11 logistics and light industrial properties in Czech Republic (six properties) and Slovakia (five properties) for an aggregate purchase price of €113.2 million, on a net operating income ("**NOI**") yield[1] of 6.7%, and at 2.1% below the independent valuation of €115.6 million (hereinafter referred to as "**New Acquisitions**").

The New Acquisitions are all freehold properties, almost 100% occupied by 17 mostly logistics tenant-customers and featuring a long-weighted average lease expiry ("**WALE**") of 6.2 years. and weighted average lease break ("**WALB**") of 5.9 years The New Acquisitions total 125,435 square metres ("**sqm**") gross lettable area ("**GLA**") of modern construction logistics and light industrial properties with a weighted average age of eight years, located in good micro-locations in established business parks with access to public transport and in immediate proximity to major highways. The New Acquisitions also feature three assets with a total of approximately 140,700 sqm of land permitted for development.

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1 Based on annualised NOI, divided by the purchase price (excluding acquisition costs) and excluding non-capitalised income and development land

The New Acquisitions are 4.9% accretive to proforma distributions per unit in CEREIT ("**Unit**", and the distributions per Unit, "**DPU**") (based on the assumptions set out herein).

The New Acquisitions provide an opportunity for CEREIT to increase its exposure to stable, relatively high-yielding logistics and light industrial assets, sectors that have performed well since the emergence of COVID-19 and especially the logistics sector due to the exponential increase in e-commerce. The New Acquisitions will increase CEREIT's exposure to light industrial / logistics property from 32.3% to 35.8%, consistent with the Manager's stated strategy to increase CEREIT portfolio's exposure to logistics and light industrial closer to 40%. Together with the other completed and announced light industrial / logistics acquisitions in 2020, the Manager has added a total of €220.2 million in light industrial / logistics assets to CEREIT's portfolio.

The New Acquisitions will also further establish CEREIT's presence in Central Europe and specifically in the emerging markets of Czech Republic and Slovakia, which are expected to benefit from further integration with the neighbouring Western European economies. The new markets boast higher real GDP growth figures of 2.0% (Czech Republic) and 2.3% (Slovakia) as compared to 1.1% for the European Union ("**EU**") as a whole for 2019 and this above EU trend is forecast to continue until 2023[2], with Oxford Economics forecasting 4.0% real GDP growth in Czech Republic and 5.3% in Slovakia next year. Both countries are expected to continue to have high Industrial production of 8.3% and 9.3% and supportive Fixed Investments of 6.4% and 8.7% respectively in 2021. Both countries' credit ratings are either 'very high credit quality' or 'high credit quality'; the Czech Republic is rated an AA- while Slovakia is rated at A by Fitch Ratings Inc.

2. DETAILS OF THE NEW ACQUISITIONS

Pursuant to the Framework Agreement, CEREIT, through the Purchasers, will be acquiring from ARETE INVEST investiční fond s proměnným základním kapitálem, a.s., acting on behalf of its sub-fund ARETE INVEST Podfond CEE II 100.0% of the shareholding interests in:

(i) ARETE Alfa s.r.o. which directly holds the property located at Jaktáře 1752, 686 01, Uherské Hradiště, the Czech Republic (the "**Uherské Hradiště Alfa CZ Asset**");

(ii) ARETE Beta s.r.o. which directly holds the property located at Tovární 1161, Lovosice, 410 02, the Czech Republic (the "**Lovosice Beta CZ Asset**");

(iii) ARETE Gama s.r.o. which directly holds the property located at Průmyslová 1190, 410 02 Lovosice, the Czech Republic (the "**Lovosice Gama CZ Asset**");

(iv) ARETE Delta s.r.o. which directly holds the property located at Cukrovarská 494/39, Město, 682 01 Vyškov, the Czech Republic (the "**Vyškov Delta CZ Asset**");

(v) ARETE Epsilon s.r.o. which directly holds the property located at Stanislava Maliny 464, 397 01, Písek, the Czech Republic (the "**Písek Epsilon CZ Asset**");

(vi) ARETE Eta s.r.o. which directly holds the property located at E49, 397 01, Písek, the Czech Republic (the "**Písek Eta CZ Asset**", and together with the Uherské Hradiště Alfa CZ Asset, the Lovosice Beta CZ Asset, the Lovosice Gama CZ Asset, the Vyškov Delta CZ Asset and the Písek Epsilon CZ Asset, the "**Czech Republic Properties**", and the acquisition of the Czech Republic Properties, the "**Czech Republic Acquisitions**");

2 Oxford Economics - Czech Republic Economic Forecast dated 27 November 2020

(vii) Arete Alfa SK s.r.o. which directly holds the property located at Priemyselná 1, 013 02 Nededza, Slovakia (the “**Zilina Alfa SK Asset**”);

(viii) Arete Gama SK s.r.o. which directly holds the property located at NMnV, 916 31 Kočovce, Slovakia (the “**Nove Mesto Gama SK Asset**”);

(ix) Arete Delta SK s.r.o. which directly holds the property located at Beckov 645, 916 38, Slovakia (the “**Nove Mesto Delta SK Asset**”);

(x) Arete Eta SK s.r.o. which directly holds the property located at Kočovce 241, 916 31, Slovakia (the “**Nove Mesto Eta SK Asset**”); and

(xi) Arete Epsilon SK s.r.o. which directly holds the property located at 044 55 Veľká Ida, Slovakia (the “**Košice Epsilon SK Asset**”, and together with the Zilina Alfa SK Asset, the Nove Mesto Gama SK Asset, the Nove Mesto Delta SK Asset and the Nove Mesto Eta SK Asset, the “**Slovakia Properties**”, and the acquisition of the Slovakia Properties, the “**Slovakia Acquisitions**”).

The Czech Republic Properties and the Slovakia Properties are together collectively referred to as the “**New Properties**”, and each a “**New Property**” and the Czech Republic Acquisitions and the Slovakia Acquisitions are together collectively referred to as the “**New Acquisitions**”.

3. INFORMATION ON THE NEW PROPERTIES

3.1. CZECH REPUBLIC PROPERTIES

The Czech Republic Properties comprise six light industrial / logistics properties located in established industrial clusters/zones across the country.

3.1.1. The Uherské Hradiště Alfa CZ Asset

The Uherské Hradiště Alfa CZ Asset is situated near Uherské Hradiště, a city of approximately 25,000 inhabitants located in the south-eastern part of Czech Republic, in the Zlín region. The Property is part of an established industrial zone 3 km to the north-east of the centre of the town of Uherské Hradiště.

The Uherské Hradiště Alfa CZ Asset is located within the biggest and most-established industrial zone in the South Moravia region, with excellent transport links to Slovakia and South Moravia.

The Uherské Hradiště Alfa CZ Asset is located within 10 minutes driving distance from road E50 that connects the town of Uherské Hradiště to Brno and subsequently to the D1 highway to the west, and European route E55 connecting the Swedish Helsingborg with the Greek Kalamáta, through Denmark, Germany, Czech Republic, Austria and Italy.

The Uherské Hradiště Alfa CZ Asset comprises a rectangular modern production plant completed in 2009, with an extension of the building added recently in April 2020 due to the tenant-customer’s recent growth. The building has a GLA of 13,222 sqm and is situated on a flat site with a total area of 26,471 sqm. The New Property includes 10,296 sqm of industrial area, 2,455 sqm of office space and a 471 sqm canopy area. The New Property benefits from 158 car parking spaces which are being rented out to the tenant-customer.

The New Property is currently fully let to a single tenant-customer - FORSCHNER, spol. s.r.o. which is a German manufacturer of precision parts, electromechanical components, cabling systems and on-board wiring systems for commercial vehicles for clients such as Audi, BMW, Bosch and Daimler. In Uherské Hradiště, the company is engaged in the production of cabling systems and electromechanical components for cars and trucks, buses and medical equipment.

3.1.2 The Lovosice Gama CZ Asset and the Lovosice Beta CZ Asset

Both New Properties are located in Lovosice. Lovosice is a town in a strategic location and is an important transportation hub. The town is situated on the D8 motorway, which is part of the European E55 route. Lovosice is also a cargo port on the Elbe River connecting to Hamburg and sits on the on the Prague – Dresden route railway corridor, connecting Budapest, Vienna and Berlin. It also has an important high-speed railway station and includes a large container terminal and a marshalling yard.

The town is home to industrial facilities with a long tradition of chemical and food-processing factories. The town's location by a highway interchange is attractive for tenants due to its connectivity and since it is a historically highly industrialised area, it also provides access to a skilled labour force.

The Lovosice Gama CZ Asset

The Lovosice Gama CZ Asset is a rectangular industrial warehouse completed in 2008 in three stages. The building lies on a flat site of the total area of 38,225 sqm and currently provides a gross lettable area of 17,199 sqm.

The Lovosice Gama CZ Asset's GLA includes 16,114 sqm of industrial area and 1,084 sqm of office space. There are 23 loading ramps and 3 docks available.

The Lovosice Gama CZ Asset is currently fully let to two tenant-customers - Fiege s.r.o. and CTE CARGO Sped s.r.o.

CTE CARGO Sped s.r.o provides logistics services between China and Europe, e-commerce services, customs clearance & last-mile delivery as well as warehousing services and maintains partnerships with trucking companies and express couriers.

Fiege s.r.o is one of the leading logistics and transport service providers in the Czech Republic offering a wide portfolio of services such as domestic freight transport, lorry, air and sea transport both within Europe and further afield. The company focuses primarily on optimising the entire logistics chain, from procurement via warehousing to distribution.

The Lovosice Beta CZ Asset

The Lovosice Beta CZ Asset is an industrial warehouse completed in 2003. The building lies on a flat site of a total area of 34,731 sqm and currently provides gross lettable area of 2,763 sqm. The GLA of the property includes 1,744 sqm of industrial area and 1,019 sqm of office space. The property has a high ratio of office space (36.9% of total GLA). The floor has an average load of 5 tonnes per sqm.

The office and social areas are single-level and situated near the main entrance in the northern part of the Lovosice Beta CZ Asset. The building was constructed in 2003 and is fully let to a single tenant-customer Fukoku Czech s.r.o., a subsidiary of the TSE listed Japanese global rubber and auto parts manufacturer, including the world's largest wiper blade manufacturer.

There is permitted development land surrounding the Lovosice Beta CZ Asset which allows an opportunity to add value to the asset in future.

3.1.3 The Vyškov Delta CZ Asset

The Vyškov Delta CZ Asset is located in Vyskov, a town of approximately 21,000 inhabitants located in south-eastern part of the Czech Republic, within the South Moravian region. The town is located along the D1 highway connected to Brno, the regional capital city (30km away), and gives easy access to Austria and Slovakia (approximately 60km) or the D46 to Olomouc. The town is located by the international railway connecting Poland and Austria. The Czech and Slovakia border has attracted several international investments, mainly but not only from the automotive industry. The industrial market in Vyskov benefits from this industrial investment activity.

The Vyškov Delta CZ Asset comprises a rectangular industrial warehouse completed in 2010. The building is situated on a flat site with a total area of 25,539 sqm and currently provides a gross lettable area of 11,154 sqm, with a further estimated 2,800 sqm with development potential. The GLA of the New Property includes 9,479 sqm of industrial area and 1,675 sqm of office space.

The Vyškov Delta CZ Asset is fully occupied by a single tenant-customer Rompa CZ. Rompa Group is 140-year-old Dutch company specialising in plastics active in the automotive, industrial applications, medical and packaging materials and consumer goods (including 1 million units to the shaving industry).

3.1.4 The Písek Epsilon CZ Asset and the Pisek Eta CZ Asset

Both New Properties are located in the town of Pisek in the South Bohemian Region of the Czech Republic, a city of approximately 30,000 inhabitants that is situated on the E49 motorway which connects Prague with Vienna. Pisek is located in the midpoint of Plzen and České Budějovice (4th & 8th largest cities in the Czech Republic, respectively) and is attractive to logistics tenant-customers servicing domestic transportation, demonstrated by the current nil% vacancy in the area.

Both the Pisek Epsilon CZ Asset and the Pisek Eta CZ Asset are separately located assets. Each New Property is a Class A logistics site with direct connection to the city ring road, the D4 motorway, main roads to Prague and the regional capitals of České Budějovice and Plzeň.

The Pisek Epsilon CZ Asset

The Pisek Epsilon CZ Asset comprises an L-shaped building completed in 2016. The building is situated on a slightly sloping site with a total area of 10,049 sqm and has a GLA of 4,235 sqm comprising 3,655 sqm of industrial area and 580 sqm of office space over two floors. The industrial areas are clear with a ceiling height of 9 m.

The Pisek Eta CZ Asset

The Pisek Eta CZ Asset is an extensively refurbished industrial building with a clear height of 9 m. The GLA of the New Property includes 2,198 sqm of industrial area and 315 sqm of office space.

Both the Pisek Epsilon CZ Asset and the Pisek Eta CZ Asset are fully let to a single tenant-customer CSS spedition s.r.o., a transportations and logistics company. Founded in 1997, the company is focused on transportation and logistics services and provides services such as production logistics, external warehousing, international and domestic haulage and customs clearance. CSS spedition s.r.o is also the sole operator of the Regional Logistics Center and additional smaller warehouses in the industrial zone of Písek.

Each of the Uherské Hradiště Alfa CZ Asset, the Lovosice Beta CZ Asset, the Lovosice Gama CZ Asset, the Vyškov Delta CZ Asset, the Pisek Epsilon CZ Asset and the Pisek Eta CZ Asset were independently valued by Cushman & Wakefield Tie Leung Limited (the "**Independent Valuer**")[3] (commissioned by the Manager and Perpetual (Asia) Limited, in its capacity as trustee of CEREIT (the "**Trustee**")) at €15.3 million, €4.1 million, €14.5 million, €11.8 million, €4.0 million and €1.7 million, respectively, as of 6 November 2020[4], using the capitalisation and residual valuation methods. The properties have been valued in accordance with the definitions of Market Rent[5] and Market Value[6], each as stated in the RICS Valuation – Global Standards.

3.2 SLOVAKIA PROPERTIES

The Slovakia Properties comprise five industrial / logistics properties located in established industrial clusters/zones across the country.

3.2.1 The Žilina Alfa SK Asset

With a population of 81,000, Žilina is the fourth largest Slovakian city. Žilina is the main industrial hub of the upper Váh river basin region, with a fast-growing economy as north-west Slovakia's business centre, with large retail and construction sectors. Additionally, there is a university with several technical faculties including a Science and Technology Park, involved with the development and support of new companies, especially in the technology field. The D1 motorway connects Žilina with Bratislava, Vienna and Budapest. Nededza is also located very close to the main railway corridor. The nearest airport is Žilina airport (servicing smaller aircraft) located 12 km west from the city centre.

The Žilina Alfa SK Asset is located approximately 9 km from the Žilina City Centre. The New Property comprises a modern production plant completed in 2011 with a rectangular floor plan, a GLA of 5,044 sqm and is situated on a flat site of the total area of 10,694 sqm. The floor of the production plant has an average floor bearing capacity of 5 tonnes per sqm.

The New Property is fully let to a single tenant-customer – Grupo Antolin Bratislava s.r.o, a subsidiary of Spain's Grupo Antolin, one of the largest players in the car interiors market internationally and number one worldwide supplier of headliner substrates (car components) and belongs to Grupo Antolin, an automotive interior parts manufacturer producing parts for neighbouring Tier1 and OEM companies belonging to Hyundai/Kia group.

3.2.2 The Nove Mesto Gama SK Asset, the Nove Mesto SK Asset, and the Nove Mesto Eta SK Asset

Nové Mesto nad Váhom is a town in Slovakia with approximately 20,000 inhabitants about 23 km from the town of Trenčín, on the Czech & Slovak border corridor. It is strategically located

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3 Please note that the role of Cushman & Wakefield Debenham Tie Leung Limited as the Independent Valuer, and any of its findings or outputs referred to herein, is strictly subject to the details contained at the end of this announcement.

4 Rounded to 1 decimal place

5 The definition of Market Rent as defined in the RICS Valuation – Global Standards, incorporating the RICS UK national supplement, is: "the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"

6 The definition of Market Value as defined in the RICS Valuation – Global Standards, incorporating the International Valuation Standards, is: "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"

along the D1 motorway connecting Bratislava and Zilina and also connecting Slovakia with Hungary and Poland. The Piešťany airport, licenced for international traffic, is about 19 km to the south, accessible via the D1.

The Nove Mesto Gama SK Asset

The New Property comprises a modern logistics warehouse completed in 2008 with extension completed in 2017 on the west side of the original building. The building is situated on 32,999 sqm flat site and has a GLA of 14,719 sqm comprising 14,240 sqm of logistics premises and 479 sqm of office space. There are 21 gates along the south side of the building. Building clearance in the warehouse premises has an average of 10 metres.

The New Property is currently fully let to a single tenant-customer Raben Logistics Slovakia, s.r.o. with a long-term presence in the premises. Raben Logistics Slovakia is a subsidiary of Raben Group, Netherlands, a 90-year-old complex logistics services company with 10,000 employees, currently managing 13 million shipments per annum in 13 countries.

The Nove Mesto Delta SK Asset

The New Property comprises a logistics warehouse completed in 2019 with a total GLA of 17,762 sqm comprising 16,516 sqm of warehouse premises and 1,246 sqm of office areas supplemented by 46 parking spaces. The site comprises the built-up area (including roads and parking spaces) and adjacent land plots totalling 30,504 sqm. Additionally, there is a 96,000 sqm development plot at the west side of the building. The Nove Mesto Delta SK Asset benefits from its own resource of industrial water, provided by a 30 m deep, drilled well. The New Property also benefits from its own power substation, diesel back-up power supply and own sewage treatment plant.

The New Property is currently fully let to two tenant-customers – FC ecom, s.r.o. and TPL Slovakia, s.r.o. FC ecom, s.r.o. is a multinational online fashion retailer acting under the brand Factcool (e-commerce website factcool.com has 200 different brands from 18 European countries). TPL Slovakia is a provider of complex logistic services active in both Slovak and Czech markets.

The Nove Mesto Eta SK Asset

The New Property comprises a modern logistics warehouse completed in 2008 by Prologis and divided into two separate warehouses DC1 and DC2. The total site area is 89,217 sqm, including two plots of potential development land (a total of 22,735 sqm) on the east and the west side of the building.

The New Property comprises 23,641 sqm of logistics premises, 1,424 sqm of office space and 284 parking lots. There are 60 gates on the north side of the building. Building clearance in warehouse premises is on average 14 m. Following tenant improvements, there are four mezzanine levels used as clothes storage and additional emergency staircases from outside of the building.

Nove Mesto Eta SK Asset is currently let to a single tenant-customer, which occupies 82.7% of total GLA[7]. C & A Mode s.r.o. leases the whole warehouse DC 2 (19,644 sqm), the main part of the offices and the canteen (1,086 sqm) and 180 parking lots. The remaining warehouse and office premises are currently vacant but are subject to a signed lease which will commence on 1 January 2021. C & A is a Belgian-German-Dutch chain of fast-fashion retail clothing stores

7 As at the date of this announcement

with a long-term history in the Slovak market with 50,000 employees and €8 billion in revenue. It currently has 16 stores open in every region of Slovakia.

3.2.3 The Košice Epsilon SK Asset

The Košice Epsilon SK Asset is located close to Košice, a city of approximately 235,000 inhabitants in the east part of Slovakia. Košice is the second largest city in Slovakia and the administrative centre of Kosice Region, the economic, political and cultural centre of Eastern Slovakia. Kosice city is situated relatively close to Slovakia's borders with Hungary (20 km), Ukraine (80 km) and Poland (90 km). Košice is also an important industrial centre with many companies settled in the city and its surrounding areas, with a good railway and road connections to both domestic and foreign destinations and an international airport. Košice is the seat of the Slovak Constitutional Court, four universities, museums, galleries, and theatres.

Košice Epsilon SK Asset is located in a new industrial zone in Velka Ida, a village located very close to Kosice, approximately 18 km to the south-west from the centre of Košice. The property is located within 11 minutes driving distance from Košice city ring (E58) that connects directly to the D1 highway in and is 15 minutes driving distance from R4 high speed road which connects Slovakia to Hungary.

The New Property comprises two modern industrial warehouses with a rectangular floor plan built in 2020 on a site of 41,788 sqm. The New Property has a total of 11,759 sqm of GLA (comprising 10,320 sqm of production premises within two industrial halls, 1,168 sqm of office space and 271 sqm of other space including canopy and technical rooms). The warehouse is surrounded by 20,075 sqm of paved areas with high floor bearing capacity tailor-made for the tenant. There are four gates on the east side of the main building and two gates on the south side of the smaller building. Clear height of the warehouse premises is 12 m. Following the tenant's special requirements for loading weight in selected premises, the warehouse premises has a total of 3,096 sqm floor bearing capacity of 10 tonnes per sqm, while the rest of the warehouse space has floor-bearing capacity of 5 tonnes per sqm. The offices are located in the southern part of the main building and spread over two floors, connected via staircase.

Košice Epsilon SK Asset is fully let to a single tenant-customer – Steelcon Slovakia, a company established in 2009 with long term presence in the region that produces industrial chimneys and steel constructions. Its parent company, Dominion Steelcon, is Europe's leading manufacturer of chimneys and is a subsidiary of Spain's Dominion Global company, a leading multi-technical services and specialized engineering solutions business, with 8,000 employees, operating in 35 countries.

Each of the Zilina Alfa SK Asset, the Nove Mesto Gama SK Asset, the Nove Mesto Delta SK Asset, the Nove Mesto Eta SK Asset and the Kosice Epsilon SK Asset were independently valued by the Independent Valuer (commissioned by the Manager and the Trustee) at €4.6 million, €10.2 million, €17.2 million, €17.9 million and €14.4 million, respectively, as of 6 November 2020[8], using the capitalisation and residual valuation. The properties have been valued in accordance with the definitions of Market Rent[9] and Market Value[10], each as stated

8 Rounded to 1 decimal place

9 The definition of Market Rent as defined in the RICS Valuation – Global Standards, incorporating the RICS UK national supplement, is: "the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"

10 The definition of Market Value as defined in the RICS Valuation – Global Standards, incorporating the International Valuation Standards, is: "the estimated amount for which an asset or liability should exchange on the valuation date between a willing

in the RICS Valuation – Global Standards.

3.3 SUMMARY

The portfolio comprises 11 logistics and light industrial investment grade properties in the Czech Republic and Slovakia for €113.2 million on a NOI yield of 6.7%[11]. The table below sets out a summary of the properties:

	Property	Land Tenure	GLA (sqm)(1)	Valuation (€ m) (2)	Purchase Price (€ m)(3)	WALE (years)(4)	Occupancy Rate (%) (5)
The Czech Republic							
1.	Uherské Hradiště Alfa CZ Asset	Freehold	13,222	15.3	16.1	10.5	100%
2.	Lovosice Beta CZ Asset	Freehold	2,763	4.1	3.2	3.8	100%
3.	Lovosice Gama CZ Asset	Freehold	17,199	14.5	14.1	4.2	99.9%
4.	Vyškov Delta CZ Asset	Freehold	11,154	11.8	11.5	8.6	100%
5.	Pisek Epsilon CZ Asset	Freehold	4,235	4.0	4.2	10.6	100%
6.	Pisek Eta CZ Asset	Freehold	2,513	1.7	1.7	10.8	100%
	Subtotal / Average (in respect of WALE only)		**51,086**	**51.3**	**50.8**	**7.9**	**100%**
Slovakia							
1.	Zilina Alfa SK Asset	Freehold	5,044	4.6	5.0	1.0	100%
2.	Nove Mesto Gama SK Asset	Freehold	14,719	10.2	9.6	1.3	100%
3.	Nove Mesto Delta SK Asset	Freehold	17,762	17.2	16.9	2.5	100%

buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"

11 Based on annualised NOI, divided by the purchase price (excluding acquisition costs) and excluding non-capitalised income and development land

12 A signed lease of 4.3k sqm is due to commence on 1 January 2021, which will take occupancy to 100%

12 A signed lease of 4.3k sqm is due to commence on 1 January 2021, which will take occupancy to 100%

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4.	Nove Mesto Eta SK Asset	Freehold	25,065	17.9	16.2	2.5	82.7%
5	Kosice Epsilon SK Asset	Freehold	11,759	14.4	14.6	15.3	100%
	Subtotal / Average (in respect of WALE only)		**74,349**	**64.3**	**62.4**	**4.9**	**94.2%**[12]
	Total / Average (in respect of WALE only)		**125,435**	**115.6**	**113.2**	**6.2**	**96.5%**

Note(s):

(1) Gross lettable area as at 10 December 2020

(2) Valuation of the New Properties as at 6 November 2020 and rounded to one decimal place.

(3) Headline purchase price adjusted for agreed deductions

(4) "**WALE**" refers to the 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) as at 10 December 2020

(5) Occupancy rate as at 10 December 2020

4. DETAILS OF THE NEW ACQUISITIONS

4.1. CZECH REPUBLIC PROPERTIES

4.1.1. Purchase Consideration

The agreed purchase price for the Uherské Hradiště Alfa CZ Asset, the Lovosice Beta CZ Asset, the Lovosice Gama CZ Asset, the Vyškov Delta CZ Asset, the Pisek Epsilon CZ Asset and the Pisek Eta CZ Asset is €16.1 million, €3.2 million, €14.1 million, €11.5 million, €4.2 million and €1.7 million, respectively. The estimated share purchase consideration under the Framework Agreement (based on the foregoing agreed purchase prices) is €15.3 million, €3.1 million, €13.8 million, €11.1 million, €4.0 million and €1.8 million respectively, subject to closing adjustments, and the total purchase consideration payable in respect of the Czech Republic Properties is €49.1 million (taking into account preliminary property value and NAV adjustments) (the "**Czech Republic Properties Purchase Consideration**"). The agreed purchase price for each of the Czech Republic Properties was arrived at on a willing buyer and willing seller basis and based on the independent valuation of each Czech Republic Property.

4.1.2. Estimated Cost of Czech Republic Acquisitions

The total cost of the Czech Republic Acquisitions is estimated to be approximately €50.0 million, comprising:

(i) the Czech Republic Properties Purchase Consideration of €49.1 million (taking into account preliminary property value and NAV adjustments);

(ii) the acquisition fee payable to the Manager of €0.5 million; and

(iii) the professional and other fees and expenses in connection with the Czech

12 A signed lease of 4.3k sqm is due to commence on 1 January 2021, which will take occupancy to 100%

Republic Acquisitions of €0.4 million.

4.2. SLOVAKIA PROPERTIES

4.2.1. Purchase Consideration

The agreed purchase price for the Zilina Alfa SK Asset, the Nove Mesto Gama SK Asset, the Nove Mesto Delta SK Asset, the Nove Mesto Eta SK Asset and the Kosice Epsilon SK Asset is €5.0 million, €9.6 million, €16.9 million, €16.2 million and €14.6 million, respectively. The estimated share purchase consideration under the Framework Agreement (based on the foregoing agreed purchase prices) is €5.4 million, €9.3 million, €16.7 million, €14.8 million and €14.2 million respectively, subject to closing adjustments, and the total purchase consideration payable in respect of the Slovakia Properties is €60.5 million (taking into account preliminary property value and NAV adjustments) (the "**Slovakia Properties Purchase Consideration**", and together with the Czech Republic Properties Purchase Consideration, the "**Aggregate Purchase Consideration**"). The agreed purchase price for each of the Slovakia Properties was arrived at on a willing buyer and willing seller basis and based on the independent valuation of each Slovakia Property.

4.2.2. Estimated Cost of the Slovakia Acquisitions

The total cost of the Slovakia Acquisitions is estimated to be approximately €61.7 million, comprising:

(i) the Slovakia Properties Purchase Consideration of €60.5 million (taking into account preliminary property value and NAV adjustments);

(ii) the acquisition fee payable to the Manager of €0.6 million; and

(iii) the professional and other fees and expenses in connection with the Slovakia Acquisitions of €0.6 million.

5. KEY TERMS OF THE FRAMEWORK AGREEMENT

The key terms of the Framework Agreement include the following:

(i) the Purchasers providing a deposit of €1 million to the Vendor's bank account on or immediately after the date on which the Framework Agreement is signed and such deposit will be set off against the final purchase price for the New Acquisitions;

(ii) the long stop date for completion of the New Acquisitions is 31 March 2021; and

(iii) a break fee payable by the Purchasers to the Vendor of €1.0 million if the Purchasers terminate the Framework Agreement before 28 February 2021 and of €1.7 million if the Framework Agreement is terminated after 1 March 2021, unless a force majeure event or a material adverse change occurs or the Vendor breaches certain undertakings in the period between the date on which the Framework Agreement is signed and the date of completion, in which case, such break fee shall not be payable by the Purchasers.

6. RATIONALE FOR AND KEY BENEFITS OF THE NEW ACQUISITIONS

The Manager believes that the New Acquisitions will bring the following key benefits to CEREIT's unhitholders:

(1) Consistent with the Manager's Investment Strategy

(2) DPU Accretive Acquisition of 4.9% at an Attractive Yield

(i) Attractive NOI Yield of 6.7% with long WALE/WALB 6.2/5.8 years[13] compared to CEREIT's portfolio NOI Yield of approximately 6.3%[14] and WALE/WALB of 4.7/3.4 years[15]

(ii) Increase distributable income and DPU to the Unitholders based on the assumptions adopted herein

(3) Further diversification of CEREIT's portfolio to two new attractive European Markets: the Czech Republic and Slovakia

(i) CEREIT's portfolio is expected to benefit from further exposure to the attractive Central European markets with high gross domestic product ("**GDP**") growth potential and very high or high credit quality

(ii) Leases are mostly Euro-denominated and consumer price index ("**CPI**") linked, or subject to fixed increases, while passing rent is at estimated market rent of €4.70/sqm/month

(4) Modern freehold properties on valuable freehold land in well-connected micro-locations

(i) Modern assets build between 2003 to 2020 (eight-year old on average) in good micro-locations in established business parks with access to public transport and near important highways

(ii) Close to 100% let high spec space with 8-14 metre ceiling heights on average, with up to 10 tonnes / sqm floor load bearing

(iii) Approximately 140,700 sqm of permitted development land opportunities in three existing assets

(iv) Previously developed and/or leased/managed by major institutional developer and manager, recently completed expansion space for the growing tenants

(v) Acquired for €875 per sqm, which is below valuation at €879 per sqm (excluding land)

(5) Increased Resilience from Size and Diversification of CEREIT's Enlarged Portfolio

(i) Increase CEREIT's exposure to stable, relatively high-yielding logistics and light industrial sectors through entrance in to two fast developing Central European real estate markets with growth potential

(ii) CEREIT's exposure to light industrial / logistics property to be over a third of total portfolio value (from 32.3% to 35.8%[16]

(iii) Geographical diversification of the portfolio is now enhanced into nine countries with two new higher growth countries but with higher yields than the portfolio average

(iv) Increased tenant-customer diversification and trade sector diversification with 17 new predominantly logistics tenant-customers servicing both B2B and B2C

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13 As at 10 December 2020

14 Annualised NOI as at 30 September divided by valuation (before purchase costs)

15 As at 30 September 2020

16 Based on valuations and including the recently announced acquisition of Italian Logistics Park on 25 November 2020

(v) Reduced concentration risk in the top 10 tenant-customers, with the enlarged portfolio resulting in decrease from 32.6%[17] to 31.3% based on headline rent

(6) Leveraging the Sponsor's Integrated European Asset Management Platform

(i) Sponsor's platform capabilities integral in the off-market acquisitions of assets across key European cities with presence in both Czech Republic and Slovakia and more than 10 years of track record in Central Europe

(ii) Sponsor's on-the-ground asset management team across key cities well positioned to actively manage the assets to drive improved operating and financial performance with offices in Prague, Warsaw and now Bratislava

6.1 Consistent with the Manager's Investment Strategy

The New Acquisitions are well-aligned with CEREIT's stated investment strategy and key objectives of delivering stable and regular distributions as well as long-term DPU growth to Unitholders. The New Acquisitions underscore the management's ability and desire to increase CEREIT's exposure to logistics and light industrial, an in-demand sectors enjoying macro tailwinds at attractive yields. The New Acquisitions also further diversify the existing portfolio of CEREIT (the "**Existing Portfolio**") through access to two new and attractive Central Europe logistics markets which have better potential for organic growth and yield compression as their e-commerce markets mature, whilst maintaining core focus on Western Europe.

The New Properties comprise good quality freehold and perpetual leasehold logistics assets, which complement the Existing Portfolio.

As at 10 December 2020, the New Properties are 96.5%[18] occupied by quality tenant-customers with a WALE of 6.2 years, majority of leases having CPI-linked indexation or fixed increases. The Existing Portfolio together with the New Properties (the "**Enlarged Portfolio**"), through tenant diversification, reduces concentration risks for CEREIT's portfolio.

6.2 DPU-accretive Acquisitions at Attractive Yields

6.2.1 Attractive Net Operating Initial Yield

Based on the annualised[19] contracted rental income net of non-recoverable property expenses as estimated in the first quarter of 2021, the New Properties have a NOI yield of 6.7%[20].

6.2.2 Increase distributable income and DPU yield to the Unitholders

CEREIT will continue to capitalise on the Eurozone's low interest rate environment to deliver an attractive DPU yield to Unitholders. The pro forma financial effects of the New Acquisitions are expected to translate to a DPU accretion of 4.9% for the financial year ended 31 December 2019 ("**FY2019**")[21].

6.3 Further diversification of CEREIT's portfolio to two new attractive European Markets: the Czech Republic and Slovakia

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17 Including the recently announced acquisition of a logistics park located in Italy on 25 November 2020 (see the press release entitled "Cromwell European REIT Acquiring a 156,888 sq m Freehold Intermodal Logistics Park in Italy" for further details)

18 A signed lease of 4.3k sqm due to commence on 1 January 2021, which will take occupancy for the portfolio to 100%

19 As at the valuation date of 6 November 2020

20 Based on annualised NOI, divided by the purchase price (excluding acquisition costs) and excluding non-capitalised income and development land

21 Refer to paragraph 6 of this announcement for the assumptions adopted in the DPU accretion calculations

6.3.1 CEREIT’s portfolio is expected to benefit from further exposure to attractive Central European Markets with high GDP growth potential and very high or high credit quality

The Czech Republic

The Czech Republic is one of the most developed industrial economies in Central Europe, a prosperous market economy that boasts one of the highest GDP growth rates and lowest unemployment levels in the EU (and has done in the last few years). The largest part of the country’s GDP comes from the service sector (55%). The agricultural sector only contributes 5%. One of the most important aspects of the economy is its integration into the German supply chain. International investors take advantage of a relatively cheap and high skilled labour force, geographical proximity, relatively good infrastructure, solid industrial structures, labour traditions and widespread knowledge of the German and English languages. Many German international corporates, especially those in the automotive industry, have their factories and subsidiaries in the Czech Republic.

The Czech Republic acceded to the EU in 2004 but has yet to join the Eurozone. The flexible koruna helps the Czech Republic weather external shocks and is one of European Union's 11 currencies. The Czech Republic is legally bound to adopt the euro currency in the future. All but two leases in the portfolio, contributing 5.0% of the total rent, are Euro-denominated.

The closure of borders at the end of March complicated international logistics processes. Overall, GDP is expected to fall by 6.9% on a year on year basis in 2020[22], with consumption down by 5.7%. The Czech economy is expected to recover towards the end of 2H 2020 followed by 4.0% real growth in 2021[1] driven by fixed investments of 6.4% and industrial production of 8.3%. Although the gradual easing of restrictions at the end of the second quarter brought a resumption of the free movement of persons and goods within the European Union, intercontinental transport has still been facing problems. As a consequence, many companies are already looking for closer located suppliers who could replace foreign suppliers such as Chinese manufacturers.

Foreign investors have been the most active in the Czech market and while this remains the case, domestic investors are returning, sourcing some mispriced opportunities and are well placed to undertake site visits.

The demand for domestic production and storage capacities could increase as well. The Czech Republic is rated an AA- by Fitch Ratings Inc.

Slovakia

With a population of 5.4 million, Slovakia has a small, open economy driven mainly by automobile and electronics exports. Slovakia’s economy suffered from a slow start in the first years after its separation from the Czech Republic in 1993, due to the country’s authoritarian leadership and high levels of corruption, but economic reforms implemented after 1998 have placed Slovakia on a path of strong growth.

Slovakia joined the EU in 2004 and the euro zone in 2009. The Slovak Republic adopted the Euro after 16 years of using Slovak Koruna. The country’s banking sector is sound and predominantly foreign owned. Slovakia has been a regional Foreign Direct Investment (FDI) champion for several years, attractive due to a relatively low-cost yet skilled labour force, and a favourable geographic location in the heart of Central Europe. Exports and investment have

22 Oxford Economics - Czech Republic Economic Forecast dated 27 November 2020

been key drivers of Slovakia's robust growth in recent years. The unemployment rate fell to historical lows (pre-COVID-19), and rising wages fuelled increased consumption, which played a more prominent role in GDP growth.

The main source of capital investment into Slovakia has traditionally been from international investors, and so far in 2020, investors from Asia (Singapore and China) and Europe (Austria) have been the most active. Western Slovakia continues to be the most attractive area of the country for investors, in particular the wider Bratislava region.

The 2020 GDP forecast for Slovakia is -5.6%[23], followed by growth of 4.8%[24] in 2021, driven by fixed investments of 8.7% and industrial production of 9.3%. Slovakia is rated at A by Fitch Ratings Inc.

6.3.2 Leases are mostly Euro-denominated and CPI-Linked

The leases are typically indexed to the Euro-zone CPI or subject to fixed increases in the case of the New Properties thereby providing steady and relatively predictable rental growth.

6.4. Modern freehold properties on valuable freehold land in well-connected micro-locations

6.4.1 Modern assets in good micro-locations in established business parks with access to public transport and near important highways and include ~ 140,700 square metres of permitted development land

The New Properties are previously developed and/or leased/managed by major institutional developer and manager, recently completing expansion space for the growing tenants.

The New Properties are built between 2003 - 2020 (eight-year old on average), with close to 100% occupancy and feature high spec space with 8-14 metre ceiling heights on average and with up to 10tonnes / sqm floor load bearing.

The New Properties are acquired below valuation at €875 per sqm[24]. The New Properties are strategically located beside main communications routes connecting all directions and hence enjoy easy access to key transport infrastructure.

The New Properties stretch through key expressways between the Czech Republic and Slovakia. In the Czech Republic, 1,276 km of motorways and 5,826 km of trunk roads were in operation as at 2Q 2020. The location of the industrial market buildings visibly follows the importance of these roads. The most important D1 motorway, the backbone of the entire motorway network, has been undergoing significant modernisation since 2013, which is estimated to complete in Q4 2021. A significant redrawing of traffic flows will begin in 2022, when 30 km of the D35 motorway will be put into operation, thanks to which the journey from Greater Prague to the Olomouc and Moravia-Silesia regions will be faster via the Pardubice region.

6.4.2 Increased proportion of freehold and perpetual leasehold assets in the Enlarged Portfolio

The New Properties will increase the proportion of freehold and ongoing leasehold assets in CEREIT's portfolio from 91.7% (under the Existing Portfolio) to 92.1% (under the Enlarged Portfolio).

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23 Oxford Economics - Slovakia Economic Forecast dated 27 November 2020

24 Including signed lease of 4.3k sqm due to commence on 1 January 2021, which will take occupancy for the portfolio to 100%

Land Tenure	Before the New Acquisitions (1)	After the New Acquisitions (2)
	Breakdown of valuation (€ m)	**Breakdown of valuation (€ m)**
Freehold	1,572.9	1,688.6
Ongoing leasehold	335.6	335.6
Leasehold	173.8	173.8

Notes:

(1) Excluding the recently announced acquisition of a logistics park located in Italy on 25 November 2020 (see the press release entitled “Cromwell European REIT Acquiring a 156,888 sq m Freehold Intermodal Logistics Park in Italy” for further details). Based on the valuation of the Existing Portfolio as at 31 December 2019 plus any capital expenditure incurred until 3Q 2020 for 69 properties. 22 properties representing approximately 50% of CEREIT’s portfolio by value are carried at their valuations as at 30 June 2020 plus any capital expenditure incurred in 3Q 2020. The four German assets acquired on 24 March 2020 and 13 August 2020 are carried at their purchase price plus any capital expenditure incurred since acquisition

(2) For the New Properties, the valuation is based on the independent valuation of each property conducted by the Independent Valuer as at 6 November 2020

Land Tenure	Before the New Acquisitions (1)	After the New Acquisitions (2)
	Breakdown of valuation (%)	**Breakdown of valuation (%)**
Freehold	75.5%	76.8%
Ongoing leasehold	16.1%	15.3%
Leasehold	8.4%	7.9%

Notes:

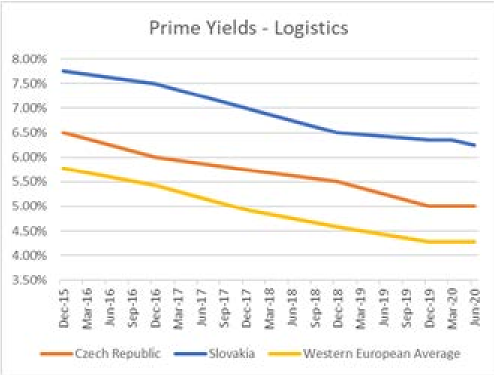
(1) By percentage of the sum of the valuation of the Existing Portfolio as at 31 December 2019 plus any capital expenditure incurred until 3Q 2020 for 69 properties. 22 properties representing approximately 50% of CEREIT’s portfolio by value are carried at their valuations as at 30 June 2020 plus any capital expenditure incurred in 3Q 2020. The 4 German assets acquired on 24 March 2020 and 13 August 2020 are carried at their purchase price plus any capital expenditure incurred since acquisition

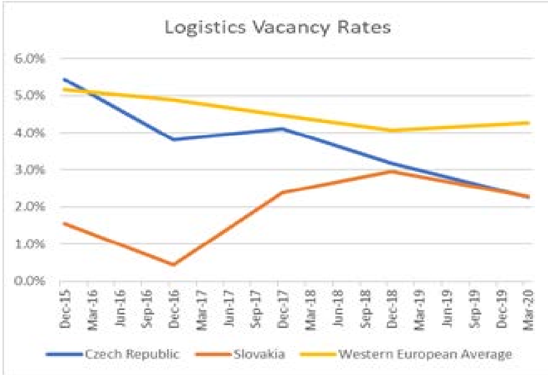
(2) By percentage of valuation of the Enlarged Portfolio. For the New Properties, the valuation is based on the independent valuation of each New Property conducted by the Independent Valuer as at 6 November 2020

6.5. Increased Resilience from Size and Diversification of CEREIT’s Enlarged Portfolio

6.5.1 Increase CEREIT’s exposure to stable, relatively high-yielding logistics and light industrial sectors through entrance in to two fast developing Central European real estate markets with growth potential

Both the Czech Republic and Slovakia have maintained significant yield spreads in the logistics sector over the Western European Average (see graph below).





The Czech market is particularly resilient and stable due to a large portion of quality stock being held by international investors who are invested for the long run. Moreover, the industrial sector is increasingly looking to be the main engine for recovery, due to its insulation from containment measures. Growth in the industrial sector will result in downstream growth in demand for industrial space as well as growth in rental prices.

The explosion of e-commerce activity will also act as another growth driver for logistics space. Within the Czech Republic, 43,000 sqm was leased on a short-term basis by logistics companies in order to cope with an increase in demand brought on by COVID-19 and more retailers moving online.

The Czech logistics and light industrial sector entered COVID-19's lockdowns in a good condition with strong fundamentals having historically low vacancies, strong rental growth, positive take ups and remained relatively resilient compared with other sectors. Once normalcy returns to the economy, the return to these secular trends is likely.

Similar to the Czech Republic, the industrial and logistics sector is a significant industry for the Slovakian economy. Industrial output has already returned to pre-pandemic levels in 3Q2020. In the property space, third party logistics providers accounted for 38% of total leases in 3Q2020.

Another similarity between the two nations is how e-commerce is driving demand for logistics/industrial space and rental increases. In Slovakia, Online retailers accounted for 38% of total leasing activity. E-commerce activity is complimented by the established presence of 4 automotive plants and its suppliers. The only aspect that is slowing down industrial expansion in Slovakia is the lack of an available of workforce, due to record low unemployment levels across the country. Finally, its position in Central Europe, with a good connection to western markets together with developing highway infrastructure make the Slovak real estate market a fast-growing and attractive for both tenants and investors.

6.5.2 CEREIT's exposure to light industrial / logistics property to be over a third of total portfolio value from 32.3%[25] to 35.8%

6.5.3 Geographical diversification of the portfolio is now enhanced into nine countries with two new higher growth countries with higher yields

The New Acquisitions will allow CEREIT to enhance its portfolio diversification by entering the attractive Czech and Slovakian logistics markets, in addition to the seven countries (being

25 Including the recently announced acquisition of a logistics park located in Italy on 25 November 2020 (see the press release entitled "Cromwell European REIT Acquiring a 156,888 sq m Freehold Intermodal Logistics Park in Italy" for further details)

Denmark, Finland, France, Germany, Italy, Poland and The Netherlands) in which the Existing Portfolio is located.

Country	Before the New Properties (based on valuation)	After the New Properties (based on valuation)
The Netherlands	28.8%	27.3%
Denmark	3.5%	3.4%
France	18.4%	17.5%
Germany	8.2%	7.8%
Finland	5.4%	5.2%
Poland	11.5%	10.9%
Italy	24.2%	22.9%
Czech Republic	-	2.3%
Slovakia	-	2.9%

6.5.4 Increased tenant-customer diversification and trade sector diversification with 17 new tenant-customers predominantly in logistics and B2B and B2C

The top 5 tenant-customers are C&A Mode s.r.o, Raben Logistics Slovakia s.r.o., Forschner spol. s.r.o., Fiege s.r.o., Steelcon Slovakia s.r.o. These tenants represent 58% of the portfolio by passing rent.

Approximately 62% of the new properties by GLA is tenanted to logistics tenant-customers, while the rest are light-industrial tenant-customers.

The table below provides a breakdown by tenant-customer industry for the New Properties.

Category	GLA	% of GLA
3PL	45,721 sqm	**36.45%**
Automotive	7,807 sqm	**6.22%**
Retail/E-commerce	31,438 sqm	**25.06%**
Manufacturing	40,470 sqm	**32.26%**
Total	125,435 sqm	**100.00%**

The table below provides a breakdown by the different trade sectors represented in the Existing Portfolio and the Enlarged Portfolio as a percentage of the annual headline rent (based on headline rent of the Existing Portfolio and headline rent of the Enlarged Portfolio).

Before the New Acquisitions		After the New Acquisitions	
Sector	**% of Headline Rent**	**Sector**	**% of Headline Rent**
Public Administration	15.4%	Public Administration	14.8%
Wholesale - Retail	14.0%	Wholesale - Retail	14.0%
Financial - Insurance	11.9%	Financial - Insurance	11.4%
Manufacturing	9.2%	Manufacturing	10.8%
It - Communication	8.5%	Transportation - Storage	9.1%
Professional - Scientific	8.0%	IT-Communication	8.1%

Transportation - Storage	8.0%	Professional - Scientific	7.7%
Entertainment	3.9%	Administrative	3.9%
Administrative	3.8%	Entertainment	3.8%
Real Estate	3.6%	Real Estate	3.4%
Accommodation	3.4%	Accommodation	3.3%
Others	10.2%	Others	9.8%

6.5.5 Reduced concentration risk in the top 10 tenant-customers, with the enlarged portfolio resulting in decrease from 32.6%[26] to 31.3% based on headline rent, providing further income diversification

Before the New Acquisitions		**After the New Acquisitions**	
Tenants	**% of Headline Rent**	**Tenants**	**% of Headline Rent**
Agenzia Del Demanio	12.5%	Agenzia Del Demanio	11.9%
Nationale Nederlanden Nederland B.V.	5.7%	Nationale Nederlanden Nederland B.V.	5.5%
Essent Nederland B.V.	2.7%	Essent Nederland B.V.	2.5%
Uitvoeringsinstituut Werknemersverzekeringen, Hoofdkantoor Uwv	2.0%	Uitvoeringsinstituut Werknemersverzekeringen, Hoofdkantoor Uwv	1.9%
Motorola Solutions Systems Polska Sp. Z O. O.	1.9%	Motorola Solutions Systems Polska Sp. Z O. O.	1.8%
Kamer Van Koophandel	1.8%	Kamer Van Koophandel	1.7%
Nationale Stichting Tot Exploitatie Van Casinospelen In Nederland	1.7%	Nationale Stichting Tot Exploitatie Van Casinospelen In Nederland	1.6%
Santander Bank Polska S.A.	1.6%	Santander Bank Polska S.A.	1.5%
Felss Group	1.5%	Felss Group	1.4%
Anas	1.4%	Anas	1.3%
Total	**32.6%**	**Total**	**31.3%**

6.6. Leveraging the Sponsor's Integrated European Asset Management Platform

6.6.1 Sponsor's platform capabilities integral in the off-market acquisitions of assets across 11 key European cities

The New Properties are being acquired off-market. By leveraging on Cromwell Property Group's (the "**Sponsor**") extensive pan-European pipeline sourcing capabilities, in-depth knowledge of key local markets and disciplined research and investment analysis, the Manager has successfully negotiated deals to buy the properties off-market below their independent valuation and pre-COVID-19 levels.

26 Including the recently announced acquisition of a logistics park located in Italy on 25 November 2020 (see the press release entitled "Cromwell European REIT Acquiring a 156,888 sq m Freehold Intermodal Logistics Park in Italy" for further details)

6.6.2 Sponsor's on-the-ground asset management team across key cities well positioned to actively manage the assets to drive improved operating and financial performance for CEREIT

The Sponsor's strength lies in its international platform combining a vertically integrated, full service investment and fund management model with the local knowledge and expertise of on-the-ground property teams. Cromwell Europe Limited Group and/or its subsidiaries has an active approach to property portfolio and asset management; constantly looking to implement strategic asset management initiatives that create income stability and growth at an asset level. Cromwell Europe and/or its subsidiaries are specialists at value-add projects and asset transformations and have a strong track record in Europe of enhancing value through asset enhancement initiatives.

The primary goal of its asset management teams is to build long-term, mutually beneficial relationships with its tenant customers. This enables the Sponsor to understand its tenants' needs and flexibly meet their requirements. With 150+ assets and 2250 tenants that the Sponsor manages for various client mandates in Europe, the Sponsor has the expertise to look after the needs of wide range tenants in many different parts of Europe[27].

As at June 2020, the Sponsor had approximately €3.5 billion of real estate assets under their management in Europe and the real estate expertise is drawn from over 200+ employees in 17 offices across 11 European countries[28].

7. METHOD OF FINANCING

The Manager intends to finance the New Acquisitions through internal resources and/or existing debt facilities. Details of the mode of financing for the New Acquisitions will be announced by the Manager at the appropriate time, taking into account the then prevailing market conditions to provide overall DPU accretion to Unitholders and the optimum aggregate leverage levels.

8. PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTION

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the New Acquisitions on the DPU and net asset value ("**NAV**") per Unit presented below are strictly for illustrative purposes only and were prepared with reference to the audited financial statements of CEREIT and its subsidiaries (the "**CEREIT Group**") for FY2019.

The pro forma financial effects are for illustrative purposes only and do not represent CEREIT's DPU and NAV per Unit following the completion of the New Acquisitions.

8.1 Pro Forma DPU

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the New Acquisitions on CEREIT's DPU for FY2019, as if the New Acquisitions were completed on 1 January 2019, are as follows:

	Effects of the New Acquisitions(1)	
	Before the New Acquisitions	After the New Acquisitions
Distributable Income (€'000)	96,898	101,690
Illustrative DPU (€ cents)	4.08	4.28

27 As at CEREIT's Annual General Meeting 2020

28 As at 30 June 2020

DPU Accretion (%)	-	4.9%

Note(s):

(1) Assumes that the New Acquisitions were funded wholly from available debt facilities and that management fees were paid in the same combination of cash and units as they were in FY2019.

8.2 Pro Forma NAV

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the New Acquisitions on the NAV per Unit as at 31 December 2019, as if the New Acquisitions had been completed on 31 December 2019, are as follows:

	Effects of the New Acquisitions[1]	
	Before the New Acquisitions	**After the New Acquisitions**
NAV (€'000)	1,314,588	1,314,588
Issued Units ('000)	2,547,787[2]	2,557,434
NAV per Unit (€ cents)	51.6	51.3
Adjusted NAV per Unit (excluding distributable income) (€ cents)	49.6	49.3

Note(s):

(1) Assumes that the New Acquisitions were funded wholly from available debt facilities and that management fees were paid in the same combination of cash and units as they were in FY 2019.

(2) Based on total number of Units issued as at 31 December 2019.

9. DISCLOSURE UNDER RULE 1010(13) OF THE LISTING MANUAL

Chapter 10 of the Listing Manual classifies transactions by CEREIT into (i) non-disclosable transactions, (ii) disclosable transactions, (iii) major transactions and (iv) very substantial acquisitions or reverse takeovers, depending on the size of the relative figures computed on, *inter alia*, the following applicable bases of comparison set out in Rules 1006(b), and 1006(c) of the Listing Manual:

(i) the net profits attributable to the assets acquired, compared with the CEREIT Group's net profits; and

(ii) the aggregate value of the consideration given, compared with the CEREIT's market capitalisation.

The relative figures for the New Acquisitions using the applicable bases of comparison described above are set out in the table below:

Comparison of:	**Net Profits[1]**		**Aggregate Purchase Consideration against market capitalisation[2]**	
	(€'000)	**Relative to CEREIT (%)**	**(€'000)**	**Relative to CEREIT (%)**
CEREIT	116,146[3]	-	1,201,358	-
The New Acquisitions	7,239	6.2	113,200	9.4

Note(s):

(1) In the case of a real estate investment trust, the net property income ("**NPI**") is a close proxy to the net profits.
(2) For the purposes of computation under Rule 1006(c), the aggregate consideration given by CEREIT is the aggregate purchase consideration for the New Acquisitions.
(3) NPI for FY2019
(4) Based on 2,556,080,556 Units in issue and the weighted average price of €0.47 per Unit on the Singapore Exchange Trading Limited on 9 December 2020, being the market day immediately prior to the date of the Framework Agreement.

The Manager is of the view that the New Acquisitions are within CEREIT's ordinary course of business as they are within the investment mandate of CEREIT and the New Properties are of the same class as CEREIT's existing properties and within the same geographical markets that CEREIT targets. Accordingly, Unitholders' approval for the New Acquisitions is not required.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS AND DIRECTORS' SERVICE CONTRACTS

As at the date of this Announcement, certain directors of the Manager collectively hold an aggregate direct and indirect interest in 1,573,379 Units.

Paul Weightman is the Non-Independent Non-Executive Director of the Manager and the Chief Executive Officer and Managing Director of the Sponsor.

As at the date of this announcement and based on information available to the Manager, the Sponsor, through its subsidiaries, namely Cromwell Singapore Holdings Pte. Ltd. and the Manager, holds an aggregate interest in 784,004,018 Units, which is equivalent to approximately 30.1% of the total number of Units in issue.

Save as disclosed above and as at the date of this announcement, none of the directors of the Manager or substantial Unitholders has an interest, direct or indirect, in the New Acquisitions.

No person is proposed to be appointed as a director of the Manager in connection with the New Acquisitions.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #07-02, OUE Bayfront, Singapore 049321 from the date of this announcement up to and including the date falling three months after the date of this announcement:

(i) the Framework Agreement; and

(ii) the independent valuation report from Cushman & Wakefield Debenham Tie Leung Limited in relation to the New Properties.

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

11 December 2020

ABOUT CROMWELL EUROPEAN REAL ESTATE INVESTMENT TRUST

Cromwell European Real Estate Investment Trust ("**Cromwell European REIT**" or "**CEREIT**") 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.

CEREIT's portfolio comprises 95 properties with an appraised value of approximately €2,082 million as at the date of this announcement in or close to major gateway cities in the Netherlands, Italy, France, Poland, Germany, Finland and Denmark, with a balanced focus on the office and light industrial / logistics sectors. CEREIT's portfolio has an aggregate lettable area of approximately 1.4 million square metres, around 800 tenant-customers and a WALE[29] profile of approximately 5.0 years as at 30 September 2020.

CEREIT is the first REIT with a diversified pan-European portfolio listed on the Singapore Exchange Limited. CEREIT is managed by Cromwell EREIT Management Pte. Ltd., a wholly-owned subsidiary of CEREIT's sponsor, Cromwell Property Group[30], a real estate investor and manager with operations in 14 countries, listed on the Australian Securities Exchange Ltd.

ROLE OF INDEPENDENT VALUER – IMPORTANT NOTICE

Please note that the role of the Independent Valuer and any of its findings or outputs referred to herein, are strictly subject to the following:

The valuation work ("Valuation") referenced within this Announcement was prepared by Cushman & Wakefield Debenham Tie Leung Limited in relation to the acquisition of the properties involving an announcement to unitholders of CEREIT and for no other purpose and was prepared exclusively for the benefit of the party which originally commissioned it (the "Client"). The Valuation and all information contained therein is being made available for information purposes only and on a non-reliance basis to those parties who view it and have not entered into a separate agreement with Cushman & Wakefield Debenham Tie Leung Limited in relation to it. Any information used from this Announcement in relation to the Valuation, whether in part or otherwise, should be read in conjunction with the various assumptions and limitations contained within the full valuation report itself but which may not be fully set out here. If you view the Valuation, the valuation report itself and/or any information contained within this Announcement, you agree to the below exclusion of liability: "TO THE FULLEST EXTENT PERMITTED BY LAW, CUSHMAN & WAKEFIELD DEBENHAM TIE LEUNG LIMITED EXCLUDES ALL LIABILITY ARISING FROM THE USE OF OR RELIANCE ON THE VALUATION OR THE VALUATION REPORT OR ANY OF ITS CONTENTS BY ANY PERSON OTHER THAN THE CLIENT FOR ANY PURPOSES WHATSOEVER.

IMPORTANT NOTICE

The value of units in CEREIT ("**Units**") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of the Manager, Perpetual (Asia) Limited (in its capacity as trustee of CEREIT) (the "**CEREIT Trustee**"), or any of their respective related corporations and affiliates (individually and collectively "**Affiliates**"). An investment in Units is subject

29 "**WALE**" is defined as weighted average lease expiry by headline rent based on the final termination date of the agreement (assuming the tenant-customer does not terminate the lease on any of the permissible break date(s), if applicable. WALE includes a WALE of 7.0 years for CEREIT's assets in the 'Others' segment (comprising three government-let campuses, one hotel and one leisure / retail property in Italy).

30 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).

to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither CEREIT, the Manager, the CEREIT Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of CEREIT, any particular rate of return from investing in CEREIT, or any taxation consequences of an investment in CEREIT. Any indication of CEREIT's performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors 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 material 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 several 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 occupancy or property rental income, changes in operating expenses, governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support CEREIT's future business. You are 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 for information purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this material is not to be construed as investment or financial advice and does not constitute an offer or an invitation to invest in CEREIT or any investment or product of or to subscribe to any services offered by the Manager, the CEREIT Trustee or any of the Affiliates.