



(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 PURSUANT TO RULE 704(31) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

**1. Introduction**

Cromwell EREIT Management Pte. Ltd., as manager of Cromwell European Real Estate Investment Trust (“**CEREIT**”, and the manager of CEREIT, the “**Manager**”), wishes to announce that it has entered into a new 5-year sustainability-linked revolving credit facility (the “**RCF**”).

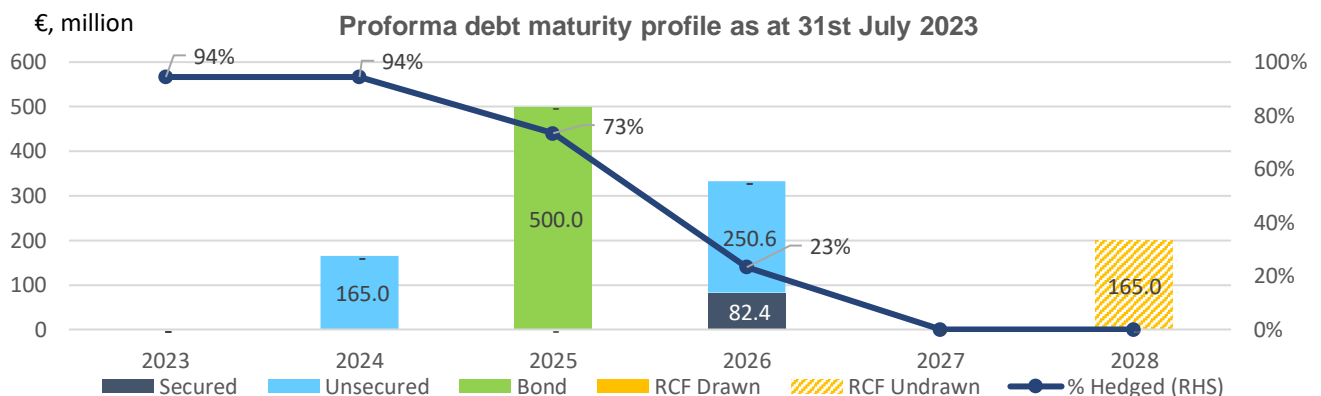
Mr. Shane Hagan, the CFO of the Manager, commented, “I am pleased that we are able to secure a new RCF for an aggregate amount of €165 million for a market-leading five years term. We continue to deliver on our responsible capital management plans – extending the maturity of our debt book to three years, maintaining high levels of hedging and successfully divesting assets to maintain gearing within our policy range of 35-40%.

“The new RCF includes an accordion feature to increase the facility up to €250 million with financial covenants generally similar to CEREIT’s other existing loan facilities, notably aggregate leverage of up to 50%. The signing of the RCF follows the recent full repayment of the existing facility with the divestment proceeds of the Piazza Affari 2 in Milan, Italy, reducing CEREIT’s proforma leverage to 38.6% as at 31 July 2023 and enhancing the flexibility to fund CEREIT’s ongoing asset enhancement initiatives.”

“This latest facility has three sustainability-linked KPIs, set and measured on an annual basis. We have now completed approximately €415 million in sustainability-linked loan facilities over the last two years, in line with our focus on ESG.”

“I am also pleased to advise that we are in the advanced stages of finalising a 4-year amendment and extension of the unsecured €165 million term loan expiring in November 2024. Following this, there will be no further debt maturities until November 2025. 94% of the total debt book (assuming the RCF is undrawn) is now hedged or fixed until November 2025, ensuring the current all-in cost of debt to CEREIT is maintained below 3%. All these factors should enhance CEREIT investors’ confidence in this current environment.”

“We appreciate the confidence and support that we have received from our five lending partners. The completion of this RCF in the current credit market conditions is a further testament to CEREIT’s robust corporate governance, portfolio resilience, track record, Fitch’s investment grade rating and strong global banking partnerships.”



## 2. Details of the transaction

Cromwell EREIT Lux Finco S.à r.l., a wholly-owned subsidiary of CEREIT, acting in respect of its Compartment 1, as borrower (the “**Borrower**”), has amended and restated its existing RCF with support from existing lenders through a rollover of existing loans and new lenders’ commitments for an aggregate amount of €165 million.

The mandated lead arrangers and original lenders for the RCF are Intesa Sanpaolo S.p.A. (“**Intesa**”), Credit Agricole Corporate and Investment Bank, ING Luxembourg S.A., Banque Européenne du Crédit Mutuel and SGBTCI (Société Générale). Intesa is also the sustainability coordinator in respect of the RCF, which features sustainability-linked key performance indicators (“**KPIs**”).

The RCF includes an accordion feature which provides flexibility to increase the size of the RCF up to €250 million through the introduction of new lenders and/or an increase in the commitment of any existing lender. In connection with the RCF, Perpetual (Asia) Limited (in its capacity as trustee of CEREIT) (the “**CEREIT Trustee**”) has entered into a Luxembourg law governed amendment and restatement agreement with, *inter alia*, Intesa, as guarantee agent, to amend and restate the original professional payment guarantee dated 19 October 2020 to guarantee the Borrower’s obligations under the RCF.

The proceeds from the RCF are intended to be used towards general corporate or working capital purposes of CEREIT and its subsidiaries (the “**Group**”), refinancing of any existing financial indebtedness of the Group and any costs and expenses, stamp, registration and other taxes payable in connection with the finance documents relating to the RCF. The covenants for the RCF are generally similar to those under CEREIT’s existing debt facilities with standard market financial covenants including aggregate leverage up to 50%. A new covenant for this facility is a minimum net asset value (“**NAV**”) which has been set at €600 million, providing significant buffer on the current NAV of approximately €1.3 billion.

The RCF has three sustainability-linked KPIs that are set and measured on an annual basis period. These KPIs are:

- (a) incremental increase in the numeric overall score of the annual real estate assessment issued by Global Real Estate Sustainability Benchmark (GRESB) for CEREIT;
- (b) increase in the number of green building certifications achieved, such as BREEAM, LEED or HQE™; and
- (c) increase in the proportion (expressed as a percentage) of leases or other agreements with tenants which include green clauses over the total number of leases and other agreements with tenants in CEREIT’s portfolio.

The third KPI target is designed to improve CEREIT’s Scope 3 emissions reporting and performance, given that green clauses typically require tenant-customers to report their environmental data.

## 3. Other information

For the purposes of disclosure under Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the RCF contains conditions where a mandatory prepayment event affecting the entire relevant outstanding RCF may occur if any of the following events, among others, takes place (the “**Relevant Events**”):

- (i) a CEREIT Change of Control has occurred; and
- (ii) the Manager ceases to manage CEREIT.

For the purposes of the paragraph above, a “**CEREIT Change of Control**” means that any person or persons acting in concert or any person or persons acting on behalf of any such person(s) (the “**Relevant Person(s)**”) at any time, directly or indirectly, come(s) to own or acquire(s) more than 50% of the issued unit capital of CEREIT and/or voting rights normally exercisable at a general meeting of CEREIT, if such Relevant Person(s)

does not or do not have, and would not be deemed to have, control of such entity on the date of the RCF, provided that a CEREIT Change of Control shall not be deemed to have occurred if:

- (i) an event which would otherwise have constituted a CEREIT Change of Control occurs or is carried out for the purpose of a reorganisation on terms approved in writing by the Lenders (as defined in the RCF); or
- (ii) all or substantially all of the unitholders of CEREIT immediately after the event which would otherwise have constituted a CEREIT Change of Control were the unitholders of CEREIT with the same (or substantially similar) pro rata economic interests in the unit capital of CEREIT as such unitholders had in the unit capital of CEREIT immediately prior to such event taking place, provided that such event is not part of a pre-determined series of events which, taken together, would have constituted a CEREIT Change of Control.

For the purpose of this definition “**acting in concert**” means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition directly or indirectly in CEREIT by any of them, either directly or indirectly, to obtain or consolidate their interests in CEREIT, as the case may be.

None of the Relevant Events has occurred as at the date of this announcement. If any Relevant Event occurs, the aggregate level of facilities, debt issues and borrowings that may be affected is approximately €1.0 billion (taking into account repayment of part of the existing debt facilities using the proceeds of the Piazza Affari 2 sale, as mentioned above).

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)

1 August 2023

## ABOUT CROMWELL EUROPEAN REAL ESTATE INVESTMENT TRUST

Cromwell European Real Estate Investment Trust (“Cromwell European REIT” or “CEREIT”) has a principal mandate to invest, directly or indirectly, in income-producing commercial real estate assets across Europe with a minimum portfolio weighting of at least 75% to Western Europe and at least 75% to the light industrial / logistics and office sectors. CEREIT’s purpose is to provide unitholders with stable and growing distributions and net asset value per unit over the long term, while maintaining an appropriate capital structure. CEREIT currently targets a majority investment weighting to the light industrial / logistics sector while also investing in core office assets in gateway cities.

CEREIT’s €2.3 billion portfolio comprises 110+ predominantly freehold properties in or close to major gateway cities in the Netherlands, Italy, France, Poland, Germany, Finland, Denmark, Slovakia, the Czech Republic and the United Kingdom with an aggregate lettable area of approximately two million sqm and 800+ tenant-customers.

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

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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 Group as the sponsor of CEREIT, 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.

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