

ANNUAL RESULTS FOR FINANCIAL YEAR ENDED 30 JUNE 2023

OVERVIEW

- Statutory loss of \$443.8 million (FY22 \$263.2 million profit), driven by a decline in property valuations of \$491.6 million;
- Operating profit of \$158.6 million (FY22 \$201.0 million), equivalent to 6.06 cents per security;
- On a like-for-like basis, excluding asset sales, Net Operating Income of the Australian Investment Portfolio grew by 3.9%;
- FY23 distributions of 5.5 cents per security, for a payout ratio on operating profit of 90.8%;
- Net Tangible Assets of \$0.84 (FY22 \$1.04), with gearing at 42.6% (FY22 39.6%);
- Total assets under management of \$11.5 billion (FY22 \$12 billion);
- Funds managed in Europe grew to \$5.5 billion as mandates deployed through asset acquisitions; and
- Investment portfolio occupancy of 94.6%, with a WALE of 5.3 years.

EXECUTION ON STRATEGIC OBJECTIVES TO POSITION BUSINESS FOR GROWTH

Cromwell Property Group (ASX:CMW) (Cromwell), today announces its results for the full year ending 30 June 2023 (FY23).

Cromwell Chair Dr Gary Weiss commented: "While FY23 was another challenging year for Cromwell, a number of strategic milestones were progressed. During FY23, the Group continued to dispose of non-core assets, with \$505 million in asset sales having been completed since December 2021. This has resulted in debt reduction of more than \$319 million during the year. A reduction in gearing remains a key priority, through the potential exit of the Cromwell Polish Retail Fund portfolio and the completion of the final stage of our non-core asset sales," he said. "We have also looked to grow our funds management platform through the proposed \$1.1 billion transaction between Cromwell Direct Property Fund and the Australian Unity Diversified Property Fund".

"The ongoing simplification of the Group has laid the foundations from which to grow the business. Management is well positioned to identify value accretive opportunities to recycle capital, launch new products, and build on partnerships to grow the funds management platform, which will lead to long-term returns for securityholders.

OUTLOOK

Commenting on the outlook, Cromwell CEO Jonathan Callaghan said: "We remain fully committed to our strategy. We have a clear focus on simplification of the Group structure, growing our funds management platform through transactions like that proposed with Australian Unity Diversified Property Fund, reducing gearing and interest costs, strengthening our investment portfolio through active management and leasing initiatives and delivering on our ongoing commitment to ESG.

Cromwell Property Group (ASX:CMW)
ASX Announcement 31 August 2023

“We will continue to take a measured approach to capital recycling to drive value accretive growth as opportunities arise. Our transition to a capital light funds management model remains a priority when capital markets are more conducive,” he said.

Authorised for lodgement by Jonathan Callaghan (Managing Director/Chief Executive Officer) and Michael Foster (Company Secretary and Senior Legal Counsel).

Ends.

For investor relations:

Libby Langtry
Cromwell Property Group
+61 2 8278 3690
libby.langtry@cromwell.com.au

For retail securityholders:

Cromwell's Investor Services
Team
1300 268 078
+61 7 3225 7777
invest@cromwell.com.au

For media:

Brendan Altadonna
GRACosway
+61 409 919 891
baltadonna@gracosway.com.au

ABOUT CROMWELL PROPERTY GROUP

Cromwell Property Group (ASX:CMW) is a real estate investor and fund manager with operations on three continents and a global investor base. Cromwell is included in the S&P/ASX200 and as at 30 June 2023, Cromwell had a market capitalisation of approximately \$1.4 billion, an Australian investment portfolio valued at \$2.6 billion and total assets under management of \$11.5 billion across Australia, New Zealand and Europe.