



CROMWELL
PROPERTY GROUP

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Wednesday 18 November 2020

ASX Market Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Cromwell Property Group (ASX:CMW) 2020 AGM Presentation

Attached is a copy of Cromwell Property Group's 2020 AGM Presentation.

Yours faithfully

CROMWELL PROPERTY GROUP

LUCY LAAKSO

COMPANY SECRETARY

Authorised for lodgement by Lucy Laakso (Company Secretary) and Michael Wilde (Chief Financial Officer).

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ABOUT CROMWELL PROPERTY GROUP

Cromwell Property Group (ASX:CMW) is a diversified real estate investor and manager with operations on three continents and a global investor base. As at 30 June 2020, Cromwell had a market capitalisation of \$2.4 billion, a direct property investment portfolio valued at \$3.0 billion and total assets under management of \$11.5 billion across Australia, New Zealand and Europe.



2020 AGM PRESENTATION

18 November 2020



Important Information & Disclaimer

This presentation including its appendices (Presentation) is dated 18 November 2020 and has been prepared by Cromwell Property Group, which comprises Cromwell Corporation Limited (ACN 001 056 980) and the Cromwell Diversified Property Trust (ARSN 102 982 598) (the responsible entity of which is Cromwell Property Securities Limited (ACN 079 147 809; AFSL 238052)). Shares in Cromwell Corporation Limited are stapled to units in the Cromwell Diversified Property Trust. The stapled securities are listed on the ASX (ASX Code: CMW).

This Presentation contains summary information about Cromwell Property Group as at 30 June 2020. Statutory financial information has been reviewed by Cromwell Property Group's auditors. Operating financial information has not been subjected to audit review. All financial information is in Australian dollars and all statistics are as at 30 June 2020 unless otherwise stated.

The information in this Presentation is subject to change without notice and does not purport to be complete or comprehensive. It should be read in conjunction with Cromwell Property Group's other periodic and continuous disclosure announcements available at www.asx.com.au.

The information in this Presentation does not take into account your individual objectives, financial situation or needs. Before making an investment decision, investors should consider, with or without a financial or taxation adviser, all relevant information (including the information in this Presentation) having regard to their own objectives, financial situation and needs. Investors should also seek such financial, legal or tax advice as

they deem necessary or consider appropriate for their particular jurisdiction.

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Cromwell Funds Management Limited ACN 114 782 777 AFSL 333214 (CFM) is the responsible entity of,

and the issuer of units in the Cromwell Direct Property Fund ARSN 165 011 905 (DPF), Cromwell Ipswich City Heart Trust ARSN 154 498 923 (ICH), Cromwell Phoenix Opportunities Fund ARSN 602 776 536 (POF), Cromwell Phoenix Property Securities Fund ARSN 129 580 267 (PSF), Cromwell Property Trust 12 ARSN 166 216 995 (C12) and Cromwell Riverpark Trust ARSN 135 002 336 (CRT) (the funds). In making an investment decision in relation to one or more of the funds, it is important that you read the product disclosure statement for the fund. The PDS for each fund is issued by CFM and is available from www.cromwell.com.au or by calling Cromwell on 1300 268 078. POF, ICH, C12 and CRT are not open for investment. Applications for units in DPF and PSF can only be made on the application form accompanying the relevant PDS.

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Directors



Leon Blitz
Independent
Non-executive Chair



Paul Weightman
Managing Director /
Chief Executive Officer



Tanya Cox
Independent
Non-executive Director



Andrew Fay
Independent Non-executive
Deputy Chair



Joseph Gersh AM
Non-executive Director



John Humphrey
Independent
Non-executive Director



Lisa Scenna
Independent
Non-executive Director



Jane Tongs
Independent
Non-executive Director



Dr Gary Weiss AM
Non-executive Director

Meeting Agenda

- 1 Open
- 2 Chair's Address
- 3 CEO's Address
- 4 Formal Voting
- 5 Items of Business
- 6 Questions



SECTION 2

Chair's Address



Cromwell Property Group Overview

Group statistics as at 30 June 2020

Office Locations



Portfolio

 **A\$11.5bn**
€7.1bn
AUM

 **225**
properties

 **3.4m**
sqm

 **3,000**
tenants

Platform

 **460+**
people

 **14**
countries

 **27**
offices



SECTION 3
CEO's Address



FY20 Group Financial Highlights

Overview – as at 30 June 2020

Earnings and Distributions	Platform	Financial Position					
<p>Underlying operating profit¹</p> <p>\$221 million up 27.0% (FY19 \$174 million)</p>	<p>Direct Property Investment</p> <p>\$3.0 billion value 5.6% WACR 6.2 year WALE \$1.1bn development pipeline</p>	<p>NTA per unit</p> <p>\$0.99 (FY19 \$0.97)</p>	<p>Liquidity³</p> <p>\$667 million</p>				
<p>Underlying operating profit per security</p> <p>8.50 cents 3.5% above FY19 (8.21 cps)</p>	<p>Indirect Property Investment</p> <table border="0"> <tr> <td>CEREIT</td> <td>CPRF²</td> </tr> <tr> <td>€394 million book value (30.7% interest)</td> <td>€452 million independent external valuation</td> </tr> </table>	CEREIT	CPRF²	€394 million book value (30.7% interest)	€452 million independent external valuation	<p>Debt tenor</p> <p>3.2 years</p>	<p>Gearing</p> <p>41.6%</p>
CEREIT	CPRF²						
€394 million book value (30.7% interest)	€452 million independent external valuation						
<p>Distributions per security</p> <p>7.50 cents 3.4% above FY19 (7.25 cps)</p>	<p>Funds and asset management</p> <p>\$8.2 billion total AUM \$5.8 billion AUM in Europe (78% recurring) \$2.4 billion AUM in A/NZ</p>	<p>Next debt maturity</p> <p>March 2022</p>	<p>Interest rate hedging</p> <p>66% / 2.6 years</p>				

1. See Appendix to FY20 Results Presentation for further details of segment results, operating profit and reconciliation to statutory profit
2. Excludes equity accounted interest in Ursynow
3. Cash and cash equivalents plus undrawn commitments

Strategy Summary

Overview

Direct Property Investment	Core	Defensive government base, long WALE, strong covenants, low capex and structured growth
	Core+	Generate leasing upside and take advantage of short term market trends
	Active/For sale	Drive outperformance from repositioning and asset enhancement or alternatively capital recycling
Indirect Property Investment	CEREIT	CEREIT provides stable and growing distributions, access to Asian capital
	LDK	Significant opportunity to scale-up LDK JV and establish a sizeable Seniors Living business
	CPRF	Temporarily warehoused as part of 'Invest to Manage' strategy. Targeting eventual 20% stake
Funds and Asset Management	Europe	Platform repositioning complete and ready to deploy operational leverage New opportunities to scale-up platform – European Logistics and proposed Data Centres Funds Deliver continued growth in quality and resilience of CEREIT portfolio
	A/NZ	Consistent long term recurring revenue within A/NZ FM and high margins from retail syndicates
Capital Management		'Through the cycle' target gearing range of 30% to 40% with leverage capacity to be used on a short term basis to execute the 'Invest to Manage' strategy

FY20 Segment Results

Financial and Capital Management Update

FY20 Commentary

Direct Property Investment

Segment profit of \$172.2 million (+26.5%) driven by strong like-for-like NOI growth across Core and Core+ portfolios (well above rolling 3.0% target) and Northpoint development profit

Indirect Property Investment

Segment profit of \$55.9 million up 23.1% partly due to warehousing CPRF, stable and growing earnings from CEREIT and share of income from LDK

Funds and asset management

Segment profit of \$40.8 million (+43.2%) due to strong first half transactional activity. Continued growth expected as platform scales to medium term AUM target and once transactional activity resumes

Other

Corporate costs flat with an increase in income tax expense primarily attributable to development fee earned in respect of Northpoint Tower

1. See Appendix to FY20 Results Presentation for further details of segment results, operating profit and reconciliation to statutory profit
2. Includes non-segment specific corporate costs pertaining to Group level functions such as finance and tax, legal, risk and compliance, corporate secretarial and marketing and other corporate services

FY20 Segment Profit¹ Versus PCP

	FY20 (\$m)	FY19 (\$m)	Change
Direct property investment	172.2	136.1	26.5%
Indirect property investment	55.9	45.4	23.1%
Funds and asset management	40.8	28.5	43.2%
Total segment results	268.9	210.0	28.0%
Finance income	5.8	4.8	20.8%
Corporate costs ²	(39.2)	(39.6)	(1.0)%
Income tax expense	(14.3)	(1.0)	1330%
Operating profit¹	221.2	174.2	27.0%
Operating profit (cps)	8.50	8.21	3.5%

COVID-19 Tenant-Customer Negotiations

Overview

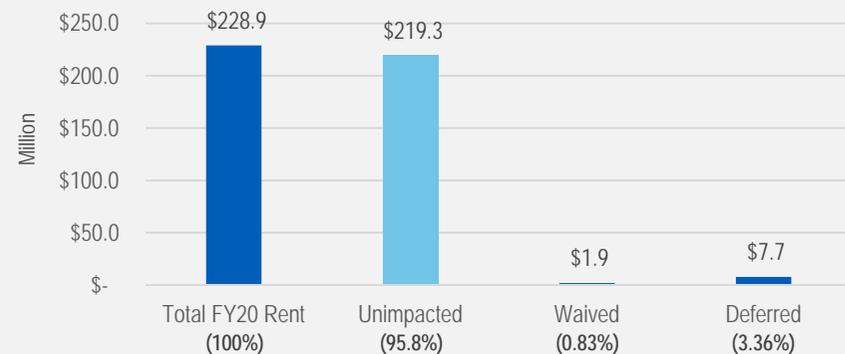
Direct Property Investment Portfolio

- National Code of Conduct requires landlords to provide rent relief to SMEs impacted by COVID-19
- Only 93 SMEs representing less than 10% of total gross passing income in Cromwell's Australian property portfolio. Not all were impacted by COVID-19
- Agreements bespoke and agreed on a case-by-case basis, relief also provided to three impacted non-SME tenant-customers
- \$9.6 million of rent impacted (4.2%) of which \$1.9 million was waived with majority (\$7.7 million) being deferred

Creating COVID safe workplaces

- Cromwell has been focused on providing safe workplaces for all 3,000+ tenant-customers and employees globally
- In Australia these measures are in accordance with relevant government and state guidelines including:
 - Increased communication and signage in all buildings
 - Increased cleaning of high touch / high traffic areas
 - Sanitiser stations and safe distance notifications
 - Additional deep clean options for individual tenancies

FY20 COVID-19 position – Australian portfolio



Creating COVID safe workplaces

COVID-19:
Please practice good lift etiquette

TO ENSURE THE SAFETY OF YOURSELF AND OTHERS, PLEASE:

Maintain physical distance
Do not over crowd
Avoid touching others
Practice good hygiene

COVID-19:
Help stop the spread

We're all in this together.

Cromwell continues to respond to the COVID-19 pandemic in an active and agile manner. We are promoting hygiene and social distancing measures to reduce the risk of a 'second wave' of COVID-19. Steps you should take include:

Maintaining a 1.5m distance from others
Practising good hygiene
Wearing a mask in public spaces and on public transport

COVID-19:
Please wipe down shared equipment before and after use

Iron
hair dryer
cubicle handles
shower taps

Capital Position

Financial and Capital Management Update

Strong Debt Profile and Balance Sheet Position

- Substantial liquidity of \$667 million consisting of cash and cash equivalents of \$194 million with the balance consisting of undrawn domestic banking lines
- Target 'through the cycle' gearing of 30% – 40% with leverage capacity to be used on a short term basis to execute the 'Invest to Manage' strategy
- Gearing of 41.6% with deleveraging to take place over time (sell down of CPRF alone would return gearing to low end of target range)
- Average cost of debt of 2.84%, no major expiries until March 2022, debt well diversified across two dozen domestic and international lenders

Weighted average cost of debt

2.84%

Weighted average hedge term

2.6 years

Weighted average debt expiry

3.2 years

Interest rate hedging

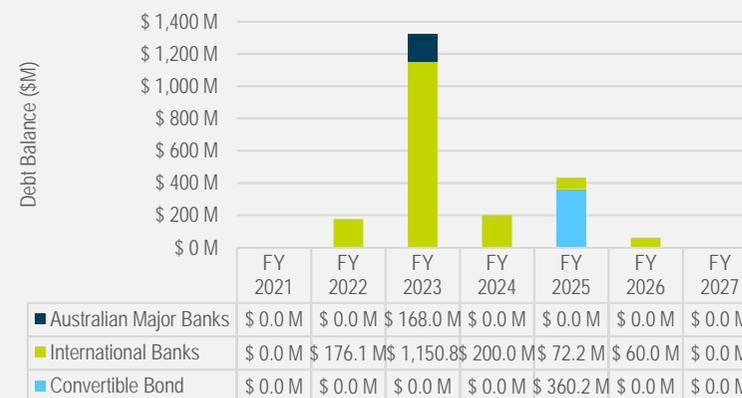
66%

1. Gearing calculated as (total borrowings less cash)/(total tangible assets less cash)

Group Gearing (2009 to 2020)



Debt Expiry Profile





SECTION 4
Formal Voting





SECTION 5

Items of Business





SECTION 6
Questions



