



CROMWELL
PROPERTY GROUP

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Wednesday 16 November 2022

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

To whom it may concern

Cromwell Property Group (ASX:CMW) Annual General Meeting 2022 Addresses and Presentation

In accordance with ASX Listing Rule 3.13.3, I attach a copy of the Chair's address, the CEO's address and the presentation to be delivered at Cromwell Corporation Limited's Annual General Meeting 2022.

The hybrid meeting commences at 2.00pm AEST today. Shareholders can participate by logging in online at <https://meetings.linkgroup.com/CMW2022>.

Yours faithfully

CROMWELL PROPERTY GROUP

LUCY LAAKSO

COMPANY SECRETARY AND CORPORATE COUNSEL

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

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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. As at 30 June 2022, Cromwell had a market capitalisation of \$2.0 billion, an Australian investment portfolio valued at \$3.0 billion and total assets under management of \$12.0 billion across Australia, New Zealand and Europe.

CHAIR'S ADDRESS AND CEO'S ADDRESS TO SECURITYHOLDERS

CHAIR'S ADDRESS

On behalf of the Cromwell Board, I would like to welcome you to the 2022 Annual General Meeting of Cromwell Corporation Limited.

I will start with a few remarks before handing over to Managing Director and Chief Executive Officer (CEO) Jonathan Callaghan.

Cromwell is an international business with operations in 14 countries across Europe, Singapore, Australia and New Zealand, and assets under management of \$12 billion. Our managed portfolio extends across 216 properties, with more than 2,300 tenants across 3.4 million square metres.

I am pleased to note that, over the twelve months to 30 June 2022 Cromwell delivered a stable return during what have been quite challenging economic conditions. Underlying operating profit was up 5% to \$201 million, reflecting adjusted funds from operations of \$173.7 million, with distributions for the financial year ended 30 June 2022 of 6.5 cents per security. Importantly, the Group reduced gearing to 39.6%, inside our target range, with further initiatives to continue this reduction as we face uncertain global conditions ahead.

At our AGM 12 months ago, we announced a new strategic direction for the business led by the newly appointed Managing Director and CEO, Jonathan Callaghan. I am pleased to be able to provide you with an update on our progress today.

Under Jonathan's direction, we introduced several strategic initiatives to move the business toward the goal of becoming a capital-light fund manager, navigating external and macro challenges which have arisen over the period.

During the financial year, we completed the sale of four non-core assets, being 200 Mary Street in Brisbane, Regent Cinema in Albury, Village Cinema in Geelong and TGA Complex in the ACT. All assets were sold at a premium to book values, freeing up approximately \$160 million in capital to reduce gearing and be reinvested in more strategically aligned initiatives.

With a view to simplifying our business and realigning to our core skills, we recently announced the sale of our 50% interest in LDK Healthcare (LDK) to Anglican Community Services, trading as Anglicare Sydney. We were pleased to transfer our interest in the LDK joint venture to Anglicare, a trusted aged care and retirement living operator, who will continue to ensure residents' needs remain at the forefront of all decisions. As we announced on 7 October 2022, the sale of Cromwell's interest was structured in two parts: initially, Cromwell received a payment of \$20 million for its 50% equity interest in LDK; secondly, Cromwell's secured interest-bearing loans will remain in place until the end of February 2023, with an option for LDK to extend repayment until the end of June 2023. The sale proceeds represent a 67% premium to the book value of Cromwell's equity interest in LDK and, on repayment of Cromwell's loans to LDK, the sale releases total capital of c. \$168 million. The proceeds from the sale and repayment of loans will be used initially to reduce Cromwell's gearing.

We have also commenced a disposal process for our portfolio of retail assets in Poland which, as at 30 June 2022, was valued at \$720 million, inclusive of our 50% interest in the Ursynów asset with Unibail-Rodamco, and our Italian logistics assets, valued at \$91 million. These assets have also been

identified as non-core and are being marketed for purchase as portfolios, or on an asset-by-asset basis.

We will update the market and investors as these initiatives develop further.

The current economic climate has also resulted in us putting our proposed AREIT listing on hold until volatility in the global equity and debt markets begins to ease. We believe the transaction will be an important milestone for Cromwell's strategic direction and continue to work on simplifying and de-risking the business in preparation for conducive market conditions.

These ongoing key strategic initiatives are part of our renewed strategy to simplify the business, which will enhance long term value for you, our securityholders. The Board has full confidence in the team to continue to execute this strategy and, on that note, I will now hand over to Managing Director and CEO Jonathan Callaghan for his address.

Thank you.

CEO'S ADDRESS

Thank you, Gary. Good afternoon. I am Jonathan Callaghan, Managing Director and CEO of Cromwell.

I would also like to extend a warm welcome to securityholders, my fellow Cromwell Directors and attendees joining this meeting in our Brisbane office and online.

I want to take the opportunity to share with you a few initial observations from my first 12 months as CEO.

- Firstly, we have an exceptional and unique global platform with which to grow the business and drive securityholder value.
- Secondly, the strategy we are implementing to become a capital-light funds manager is the right one for Cromwell. As CEO, I can assure you there is an urgency within the business to accelerate this initiative as quickly as possible. Equally, it is important we continue to make considered and smart decisions on timing based on current challenging market conditions.
- Finally, we have outstanding people in this business to execute the strategy and to ultimately deliver value for you, our securityholders. As a business, we continue to make real progress against our 40:40:20 gender diversity targets and our gender pay gap. We have continued focus on improving leave and time off benefits, wellbeing programmes, reward and recognition programmes and implementing performance-based incentives for all staff.

Our approach to ESG is becoming more embedded in our evolving strategy. Externally, our investors are continually raising their expectations of the impact we have and the legacy we leave on the environment, both physical and social. We are absolutely aware of this.

Internally, our staff see the importance of living our values in our relationships with employees, tenants, investors, the communities in which we operate and being accountable for the impact on the land on which our buildings sit.

Our ESG programme is going through a review currently, setting new baselines and targets, and is due to be announced imminently. We look forward to demonstrating our commitment to ESG as we formalise our strategy and science-based targets to deliver sustainable outcomes and a resilient future for all our stakeholders.

Outlook

Periods of working from home during the COVID-19 pandemic have led us to reflect on how business will operate in the future and what role the office plays in that. We believe that the way in which tenants use office space will continue to evolve as businesses try to find the balance between coming together and working collaboratively and adopting more flexible work practices. I do not think the balance is right at the moment and more time is needed to let things find their natural order. It is difficult to be certain about what the impact this will have on office demand.

What I am certain of, though, is that offices will continue to be an important place for work communities to meet indefinitely. Our purpose is to assist our tenants in reimagining and reconfiguring their workplaces to suit the purpose and needs of each business. The repositioning and repurposing of assets has always been a key part of Cromwell's DNA, so we are very comfortable working in tandem with our tenants to deliver this.

When local markets improve, we will execute the separation of the Australian assets from the operating business. This remains a key initiative for Cromwell, which will enable both parts of the business to be traded at levels that reflect their inherent values. The work undertaken to date puts us in a good position to move on this quickly when the markets allow.

Our European business continues to be strengthened by both new mandates and continued growth in our SGX-listed Cromwell European REIT over the last year, reaffirming our ongoing strong relationships with local capital partners and trust in our teams to use their local property knowledge and expertise to successfully uncover value.

Amid impacts of rising inflation and interest rates pressure, we continue to be proactive in capital management initiatives, including hedging and ongoing, open discussions with lenders.

We believe the strategy we have set Cromwell on is the right one and will continue to execute on our key initiatives to position the business well to take advantage of opportunities as they arise.

I will now hand back to Gary for the formalities.

Thank you.

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

Ends.

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2022 AGM Presentation

16 November 2022



Introduction and agenda

Acknowledgement of Country

We acknowledge the Traditional Custodians of the lands on which we meet, and we pay our respects to their Elders past, present and emerging.

Agenda

Open

Dr Gary Weiss AM, Chair

Chair's Address

Dr Gary Weiss AM, Chair

CEO's Address

Jonathan Callaghan, Managing Director/CEO

Formal Voting

Dr Gary Weiss AM, Chair

Items of Business

Dr Gary Weiss AM, Chair

Eng Peng Ooi, Deputy Chair

Questions

Dr Gary Weiss AM, Chair

Directors



Dr Gary Weiss AM
Non-executive Chair



Eng Peng Ooi
Independent Non-executive
Deputy Chair and Senior
Independent Director



Rob Blain
Independent
Non-executive Director



Jonathan Callaghan
Managing Director /
Chief Executive Officer



Tanya Cox
Independent
Non-executive Director



Joseph Gersh AM
Independent
Non-executive Director



Lisa Scenna
Independent
Non-executive Director



Jialei Tang
Non-executive Director

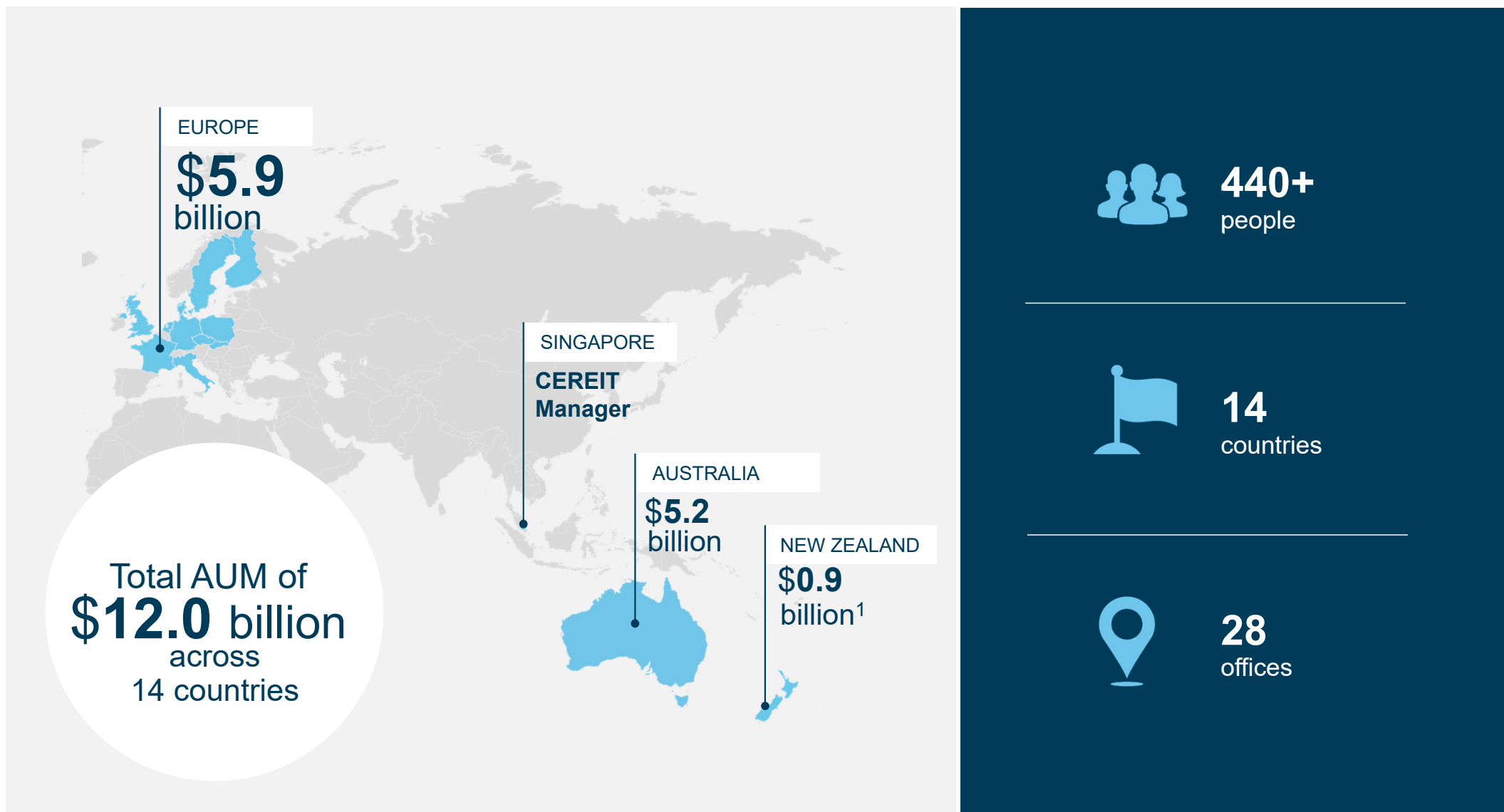
SECTION 2

Chair's Address



Cromwell's global platform

As at 30 June 2022



FY22 performance summary

As at 30 June 2022

Earnings and distributions

Underlying operating profit¹

\$201.0 million

(equivalent to 7.68 cps)

Statutory profit¹

\$263.2 million

(equivalent to 10.05 cps)

AFFO

\$173.7 million

(equivalent to 6.63 cps)

FY22 distributions

6.5 cps

Financial position

NTA per unit

\$1.04

(FY21 \$1.02)

Liquidity²

\$647 million

Gearing³

39.6%

Look-through gearing

44.8%

Interest rate hedging

**51.6% /
2.1** years

Weighted average debt maturity

2.9 years

New simpler strategy

Focus for financial year 2023

Sale of non-core assets



Completed sale of four non-core assets in Australia, with proceeds used to repay debt



Completed sale of share in LDK joint venture



Commenced sale process for assets that do not align with our strategy, including exit from CPRF, CIULF portfolios

Establishment of an externally managed REIT



Remains a strategic priority



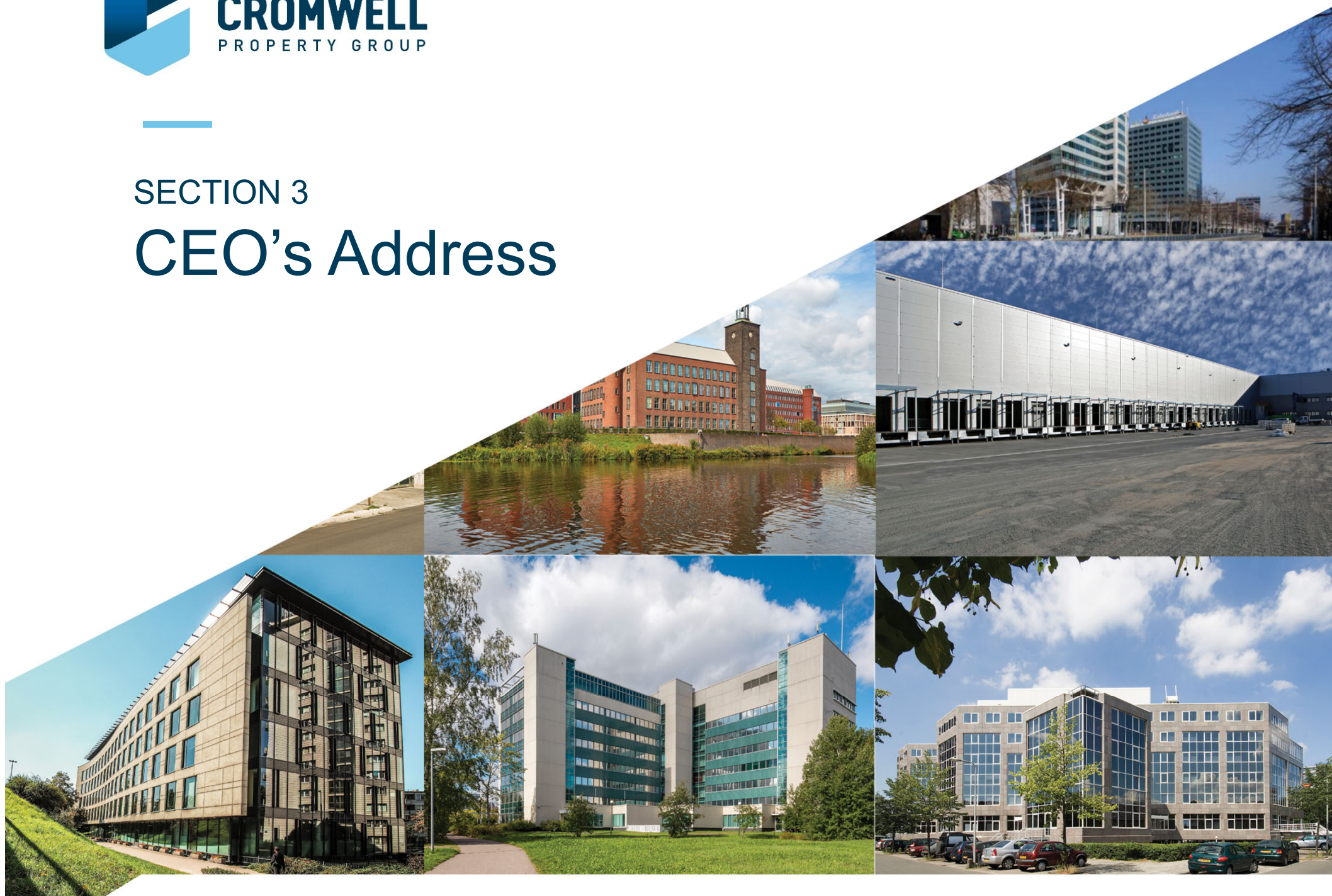
Majority of preparatory work complete



To be launched when market conditions are conducive

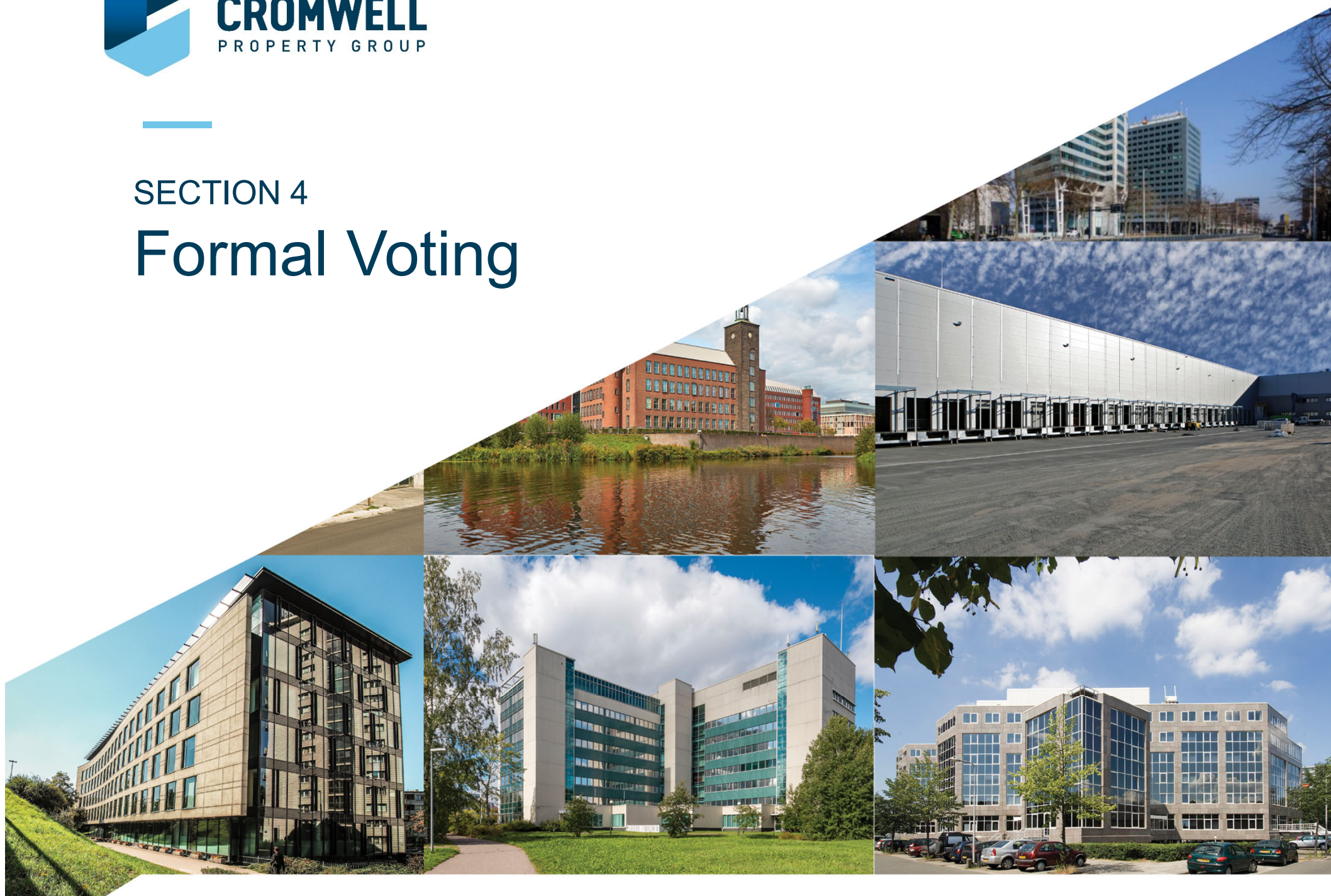
SECTION 3

CEO's Address



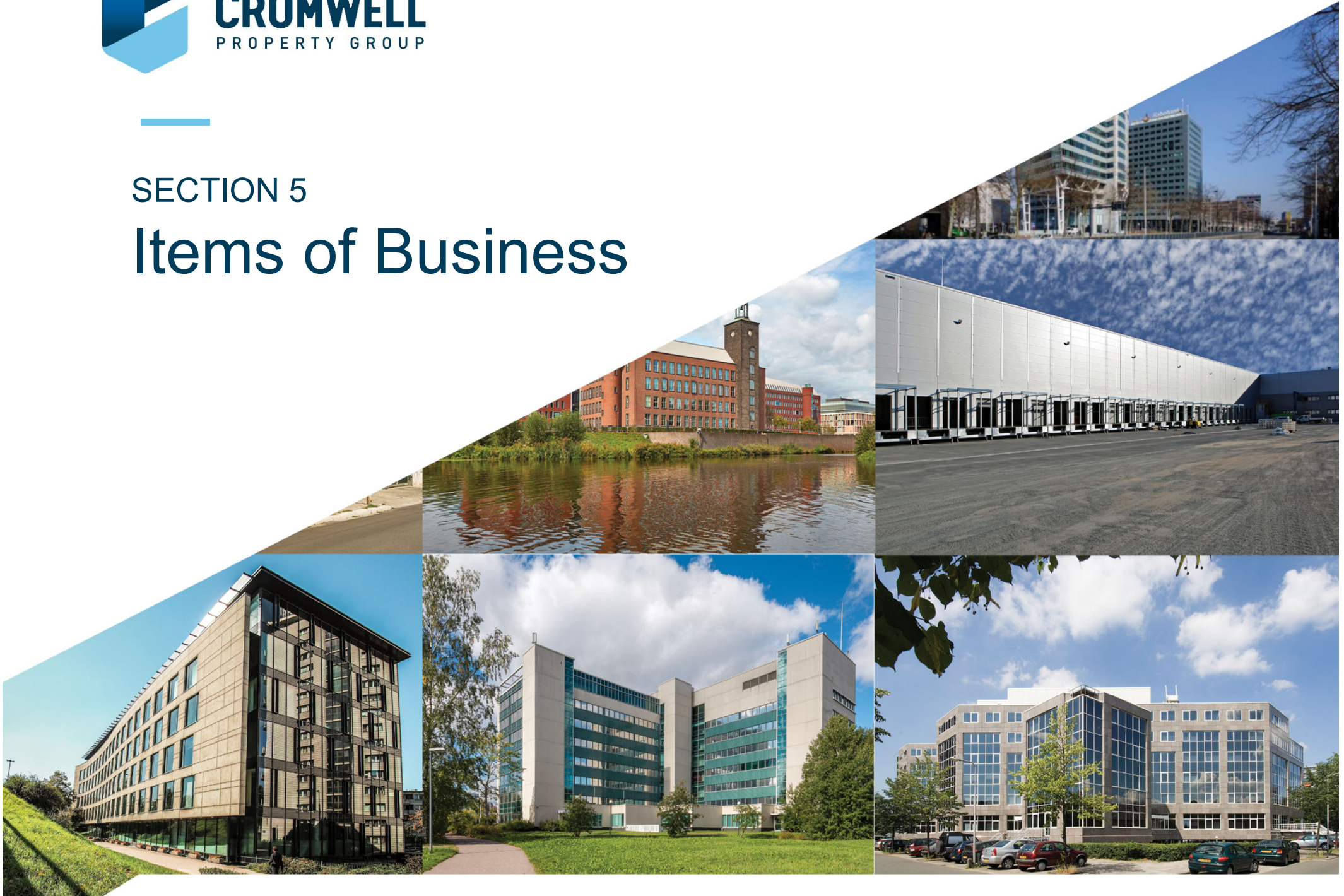
SECTION 4

Formal Voting



SECTION 5

Items of Business



SECTION 6

Questions



Important Information and Disclaimer

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The restructure described in this presentation remains subject to board, regulatory and securityholder approval and there is no guarantee that the restructure will proceed in the form described in this Presentation or at all.

This Presentation contains summary information about Cromwell Property Group as at 30 June 2022. 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 2022 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.

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Cromwell Funds Management Limited ACN 114 782 777

AFSL 333 214 (CFM) is the responsible entity of, and the issuer of units in the Cromwell Direct Property Fund ARSN 165 011 905 (DPF), 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), Cromwell Riverpark Trust ARSN 135 002 336 (CRT) and Cromwell Phoenix Global Opportunities Fund ARSN 654 056 961 (GOF) (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 (PDS) 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, C12 and CRT are not open for investment. Applications for units in DPF, PSF and GOF can only be made on the application form accompanying the relevant PDS and target market determinations (TMD) are available.

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