CROMWELL PROPERTY GROUP

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CROMWELL UNVEILS LANDMARK PROJECT AND DEBT REFINANCE

Barton, ACT development

Cromwell Property Group (ASX:CMW) (Cromwell or The Group), today announces it has entered into an agreement for lease with a Commonwealth Government entity to develop a 19,800 sqm office building in Barton, ACT. This project marks a significant milestone in Cromwell's new strategic growth phase.

The six-level facility, designed to achieve a 6.0-star NABERS Energy and 6.0-star Greenstar rating, will be 100% occupied by a key Commonwealth Government department under a 15-year lease with an option for a 5-year extension, providing long-term income stability. The site is located in a premier location within the Parliamentary Precinct and enables the consolidation of multiple Commonwealth tenancies into a single building, close to important counterparts and Capital Hill.

Jonathan Callaghan, Cromwell CEO commented: “While broader market conditions have made new developments challenging, this project stands out as a compelling opportunity and is a strategic step forward after the completion of our business simplification process. The project will be led by Cromwell’s skilled inhouse Development team, ensuring the delivery of a top-of-the-line facility. With a long lease to the Australian Commonwealth Government, a AAA-rated, low risk tenant, this initiative is expected to drive strong returns.”

While the project will initially be funded by Cromwell, ultimately the outstanding quality of this project, and current lack of comparable opportunities, will make this asset very attractive to future capital partners as the Group transitions to a capital light investment management model.

Debt Refinance

Further positive steps forward since completion of the sale of the European platform include the renegotiation of our bilateral debt facilities, resulting in more favourable terms plus flexible covenants and longer duration. The renegotiation has resulted in a decrease in Cromwell’s weighted average drawn credit margin from 1.77% to 1.31%. Negotiation of this improvement in Cromwell’s debt terms was supported by the significantly reduced net debt and gearing position of the Group.

Gary Weiss, Cromwell Chair commented that "The journey to simplify Cromwell’s business has taken some time. We are pleased that the focus is now shifting to deployment of the Group's strengthened balance sheet into careful and considered growth initiatives. Our business is ready and well equipped for the next stage of our journey".

Authorised for lodgement by Andrew Murray (Chief Legal and Commercial Officer) and Michael Foster (Company Secretary and Senior Legal Counsel).

Ends

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ABOUT CROMWELL PROPERTY GROUP

Cromwell Property Group (ASX:CMW) is a real estate investor and manager with $4.5 billion of assets under management in Australia and New Zealand at 31 December 2024. Cromwell is a trusted partner and investment manager to a range of local and global investors, capital providers and banking partners and has a strong track record of creating value and delivering superior risk-adjusted returns throughout the real estate investment cycle.