

PLATFORM GROWTH THROUGH UNLISTED FUND MERGER

Cromwell Property Group (ASX:CMW) (Cromwell or the Group) today announces that Cromwell Funds Management Limited (CFM), as responsible entity of the Cromwell Direct Property Fund (CDPF), has entered into a Merger Implementation Deed with Australian Unity Property Limited (AUPL), as responsible entity of the Australian Unity Diversified Property Fund (AUDPF) to merge with CDPF.

Upon completion, the merged fund will comprise a well-diversified portfolio of 15 high-quality assets, valued at approximately \$1.1 billion¹. The merger will result in unitholders in CDPF and AUDPF both owning interests in a more diversified and stable fund with improved geographic and sector diversification, and strong weighted average lease expiry and occupancy metrics.

Separately, Cromwell has entered into a Share Sale and Purchase Agreement with Australian Unity Limited to acquire AUPL, the responsible entity of AUDPF, for a total consideration of \$17 million, payable in instalments. A condition to the acquisition of AUPL is AUDPF unitholder approval, and implementation, of the merger.

Cromwell's Chief Investment Officer Rob Percy commented: "The proposed transaction aligns with Cromwell's strategic exit from non-core assets and recycling of capital to grow Cromwell's funds under management, adding approximately \$425 million¹ in third-party gross assets to our Australian platform. This transaction continues our journey to a capital-light funds management business model and enables us to continue to provide Cromwell investors with long term stable and risk adjusted returns."

Dr Joe Fernandes, Chief Investment Officer and Executive General Manager, Funds Management at Australian Unity commented: "We are excited by this opportunity to merge the Australian Unity Diversified Property Fund with the Cromwell Direct Property Fund to create a combined fund that benefits investors through increased scale, diversification, and income and distribution stability. Cromwell's reputation as a leading real estate funds manager and a custodian of investors' capital places the combined fund in good stead for future success. We look forward to working with Cromwell to preserve and enhance value for investors."

As part of the proposed merger, the Cromwell Diversified Property Trust will subscribe for units in CDPF (up to \$12 million) to assist in funding a one-off withdrawal facility for AUDPF unitholders.

The merger is conditional upon AUDPF unitholder approval and the satisfaction of other conditions precedent. If these conditions are met, the merged fund will adopt Cromwell Direct Property Fund's existing framework and AUDPF unitholders will be issued units in CDPF. It is expected that the merger will be completed in late 2023.

A summary of the proposed merged property fund can be found at: www.cromwell.com.au/dpf.

Cromwell has engaged Highbury Partnership as its financial adviser and Gilbert + Tobin as its legal adviser on the merger.

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

1. As at 31 May 2023 with pro forma adjustments for June 2023 valuations and AUDPF asset sales.

Ends.

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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 31 December 2022, Cromwell had a market capitalisation of \$1.8 billion, an Australian investment portfolio valued at \$2.8 billion and total assets under management of \$12.0 billion across Australia, New Zealand and Europe.