

## **Stoneweg European Real Estate Investment Trust (“SERT”)** (formerly known as Cromwell European Real Estate Investment Trust)

---

Unaudited Condensed Interim Financial Statements for the Second Half (“2H 2024”) and Full Year Ended 31 December 2024 (“FY 2024”)

### **Table of Contents**

<b>Page</b>	
<b>2</b>	Introduction
<b>3</b>	SERT Results Overview
<b>4</b>	Financial Position Summary
<b>5</b>	Unaudited Condensed Interim Financial Statements
<b>6</b>	Unaudited Condensed Consolidated Statement of Total Return
<b>7</b>	Unaudited Condensed Consolidated Statement of Comprehensive Income
<b>8</b>	Unaudited Condensed Balance Sheets
<b>9</b>	Unaudited Distribution Statement
<b>11</b>	Unaudited Condensed Statements of Movements in Unitholders’ Funds
<b>13</b>	Unaudited Condensed Consolidated Statement of Cash Flows
<b>14</b>	Statement of Portfolio
<b>20</b>	Notes to the Unaudited Condensed Interim Financial Statements
<b>43</b>	Other information

## Introduction

Stoneweg European Real Estate Investment Trust ("SERT") (formerly known as Cromwell European Real Estate Investment Trust) is a real estate investment trust with a principal mandate of investing, directly or indirectly, in income-producing commercial real estate assets across Europe with a minimum portfolio weighting of at least 75% to Western Europe and at least 75% to the logistics / light industrial and office sectors. SERT currently targets a majority investment weighting to the logistics / light industrial sector while also investing in core office assets in gateway cities. SERT strives to be a resilient, ethical, and socially responsible organisation that contributes positively to all stakeholders, leading to higher risk-adjusted returns while maintaining an appropriate capital structure.

As at 31 December 2024, SERT's portfolio comprised 105 predominantly freehold properties with a carrying value of approximately €2.2 billion in or close to major gateway cities in the Netherlands, France, Italy, Germany, Poland, Denmark, Czech Republic, Slovakia, the United Kingdom and Finland. SERT's portfolio has an aggregate lettable area of approximately 1.7 million square metres and 800+ tenant-customers. It is 86.5% weighted to Western Europe and the Nordics and 98.1% weighted to logistics / light industrial and office.

In 2H 2024, SERT completed the following divestments:

- On 30 September 2024, SERT completed the divestment of an office asset in France for consideration of €3.1 million, which was 0.3% below the independent valuation dated 30 June 2024 and a 43.6% discount to its purchase price.
- On 19 December 2024, SERT completed the divestment of an office asset in Italy for consideration of €5.9 million, which was 36.6% above the independent valuation dated 30 June 2024 and a 5.9% premium to its purchase price.

	No. of properties	Lettable Area (sqm)	Valuation <sup>(1)</sup> (€'000)	Portfolio Weighting (%)
<b>Logistics / Light Industrial</b>				
The Netherlands	7	70,043	107,034	4.8%
France	17	231,273	397,390	17.7%
Italy	5	309,059	165,500	7.4%
Germany	14	230,280	212,931	9.5%
Denmark	12	152,433	140,778	6.3%
Czech Republic	7	73,823	76,370	3.4%
Slovakia	5	90,147	71,410	3.2%
United Kingdom	3	65,566	68,568	3.0%
<b>Total - Logistics/Light Industrial</b>	<b>70</b>	<b>1,222,624</b>	<b>1,239,981</b>	<b>55.3%</b>
<b>Office</b>				
The Netherlands	7	177,899	497,250	22.2%
France	2	32,000	55,200	2.5%
Italy	9	118,761	194,935	8.7%
Poland	5	100,510	155,860	7.0%
Finland	9	48,990	54,081	2.4%
<b>Total - Office</b>	<b>32</b>	<b>478,160</b>	<b>957,326</b>	<b>42.8%</b>
<b>Other<sup>(2)</sup></b>				
Italy	3	43,183	43,640	1.9%
<b>SERT Portfolio</b>	<b>105</b>	<b>1,743,967</b>	<b>2,240,947</b>	<b>100.0%</b>

<sup>(1)</sup> Valuation is based on the independent valuations conducted by Savills Advisory Services Limited and Jones Lang LaSalle BV as at 31 December 2024 for 104 assets. The asset held for sale as at 31 December 2024, namely Via della Fortezza 8, Italy is included in the above table and carried at its contracted selling price.

<sup>(2)</sup> Other includes one government-let campus, one retail asset and one hotel in Italy.

## SERT Results Overview

	2H 2024 €'000	2H 2023 <sup>(1)</sup> €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Gross revenue	<b>106,635</b>	108,148	(1.4%)	<b>212,919</b>	216,489	(1.6%)
Net property income ("NPI")	<b>65,635</b>	65,746	(0.2%)	<b>131,145</b>	134,281	(2.3%)
Total return/(loss) for the period/ year (€'000)	<b>3,702</b>	(58,339)	n.m.	<b>35,481</b>	(73,899)	n.m.
Total return/(loss) for the period/year attributable to Unitholders (€'000)	<b>2,531</b>	(59,510)	n.m.	<b>33,153</b>	(76,225)	n.m.
Income available for distribution to Unitholders (€'000)	<b>39,679</b>	44,445	(10.7%)	<b>79,328</b>	88,254	(10.1%)
Applicable number of units for the period/year ('000)	<b>562,392</b>	562,392	-	<b>562,392</b>	562,392	-
DPU € cents per unit ("cpu") <sup>(2)</sup>	<b>7.056</b>	7.903	(10.7%)	<b>14.106</b>	15.693	(10.1%)

n.m. – not meaningful

<sup>(1)</sup> 2H 2023 refers to the period from 1 July 2023 to 31 December 2023.

<sup>(2)</sup> DPU is calculated based on the total number of units in issue entitled to distributions as at the record date of each distribution.

### Highlights:

- FY2024 NPI was 2.3% or €3.1 million lower than FY2023 mainly attributed to i) divestments completed in FY2023 & FY2024; and (ii) lower contribution from some properties due to vacancy, partially offset by: (i) outperformance of the Netherlands Office portfolio due to higher occupancy and annual inflation indexation impact; and (ii) leasing of Nervesa21 following the completion of redevelopment and fully occupied by mid 2024; and (iii) higher income from annual inflation indexation and positive rent reversion on new leases across the portfolio.
- Total return for FY2024 was €35.5 million compared to total loss for FY2023 of €73.9 million, mainly due to: (i) lower fair value loss on investment properties of €105.9 million; (ii) gain on divestments of €0.6 million for FY2024 as compared to loss on divestments of €9.9 million for FY2023; and (iii) lower fair value loss on derivative financial instruments of €6.0 million.
- DPU for FY2024 was €14.106 cents, 10.1% below FY2023 mainly attributable to: (i) higher interest expense mainly due to higher all-in interest rates (average interest rate for FY2024 was 3.2% p.a. vs 2.6% p.a. for FY 2023), partially offset by lower borrowings; (ii) lower NPI as explained above; and (iii) higher current tax expense as FY2023 included an one-off tax credit relating to release of accrual for potential tax in the Netherlands following confirmation from the tax authority that the tax was not payable.
- 2H 2024 NPI of €65.6 million was largely in line with the prior corresponding period ("pcp"). The impact from loss of income due to divestments and the absence of one-off dilapidation income from Maxima was partially offset by the lease up of Nervesa21 following the completion of development as well as higher income across the portfolio mainly due to annual rent indexation, better leasing activities and lower doubtful debts provision.
- DPU for 2H 2024 of €7.056 cents was 10.7% below 2H 2023, mainly attributed to: (i) higher interest expense due to higher all-in interest rates, partially offset by lower borrowings; and (ii) higher current tax expense due to absence of one-off tax credit in the Netherlands as mentioned above.
- Interest coverage ratio calculated in accordance with the CIS code is 3.3x (31 December 2023: 3.8x). The weighted average all-in interest rate decreased to 3.05% p.a. from 3.19% as at 31 December 2023 due to the decrease in 3-month Euribor and Euro Short Term Rate.
- Portfolio occupancy stood at 93.5<sup>(3)</sup>% (31 December 2023: 94.3<sup>(4)</sup>%).
- Portfolio weighted average lease expiry ("WALE") of 5.1 years by headline rent, increased from 4.7 years at 31 December 2023.

<sup>(3)</sup> Occupancy calculations excluded Maxima redevelopment and vacant units in Via Dell'Industria 18 and Billstedt which are currently under redevelopment

<sup>(4)</sup> Occupancy calculations excluded Maxima redevelopment; Nervesa21 redevelopment; and Grójecka 5 which was not allowed to be leased prior to its sale

## Financial Position Summary

	<b>As at 31-Dec-24</b>	As at 31-Dec-23	Change %
Gross asset value ("GAV") (€'000)	<b>2,322,159</b>	2,367,473	(1.9%)
Net tangible assets ("NTA") attributable to Unitholders (€'000)	<b>1,140,818</b>	1,190,937	(4.2%)
Gross borrowings before unamortised debt issue costs (€'000)	<b>956,805</b>	954,005	0.3%
Aggregate leverage (%)	<b>41.2%</b>	40.3%	0.9 p.p.
Aggregate leverage excluding distribution (%) <sup>(1)</sup>	<b>41.9%</b>	41.1%	0.8 p.p.
Net Gearing (%) <sup>(2)</sup>	<b>40.2%</b>	38.4%	1.8 p.p.
Units in issue ('000)	<b>562,392</b>	562,392	-
Net Asset Value ("NAV") attributable to Unitholders € per unit	<b>2.03</b>	2.12	(4.2%)
Adjusted NAV attributable to Unitholders € per unit (excluding distributable income)	<b>1.96</b>	2.04	(3.9%)

p.p. – Percentage point

<sup>(1)</sup> Aggregate leverage excluding distribution is calculated by deducting the distributable income not yet distributed at period end from GAV.

<sup>(2)</sup> Net Gearing is calculated as aggregate debt less cash over total assets less cash.

Gross asset value at 31 December 2024 decreased by 1.9% from 31 December 2023 mainly due to: (i) lower cash and cash equivalents; (ii) the divestment of two assets held for sale in Poland and Italy, as well as three office assets in Finland, France and Italy; and (iii) fair value loss on the investment properties based on 31 December 2024 independent valuations; partially offset by capital expenditure and development costs incurred during the year.

As at 31 December 2024, aggregate leverage increased by 0.9 p.p to 41.2% from 40.3% as at 31 December 2023, due to lower cash balance after the distribution was paid out and the fair value loss on investment properties. Net gearing was 40.2% after deducting cash balance of €38.5 million as at 31 December 2024.

As at 31 December 2024, NAV attributable to Unitholders per unit decreased by 4.2% to €2.03 and adjusted NAV attributable to Unitholders per unit decreased by 3.9% to €1.96, mainly due to (i) net valuation loss after taking into account capital expenditure; (ii) deferred tax expense; (iii) fair value loss on derivative financial instruments; and (iv) distributions paid out during the year, partially offset by income generated during the year.

**STONEWEG EUROPEAN REAL ESTATE INVESTMENT TRUST (FORMERLY KNOWN AS  
CROMWELL EUROPEAN REAL ESTATE INVESTMENT TRUST) AND ITS SUBSIDIARIES**

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD AND FULL YEAR ENDED 31 DECEMBER 2024

## Unaudited Condensed Consolidated Statement of Total Return Six-month period and full year ended 31 December 2024

		SERT					
	Note	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Gross revenue	5	106,635	108,148	(1.4%)	212,919	216,489	(1.6%)
Property operating expense	6	(41,000)	(42,402)	3.3%	(81,774)	(82,208)	0.5%
<b>Net property income</b>		<b>65,635</b>	65,746	(0.2%)	<b>131,145</b>	134,281	(2.3%)
Other income	7	1	-	n.m.	107	-	n.m.
Net finance costs	16(b)	(18,555)	(16,664)	(11.3%)	(35,996)	(32,380)	(11.2%)
Manager's fees	8	(2,704)	(2,882)	6.2%	(5,431)	(5,894)	7.9%
Trustee fees		(134)	(143)	6.3%	(270)	(291)	7.2%
Other trust expenses		(3,023)	(2,872)	(5.3%)	(5,979)	(5,743)	(4.1%)
Net foreign exchange gain/(loss)		844	(681)	n.m.	1,932	792	> 100%
<b>Net income before tax and fair value changes</b>		<b>42,064</b>	42,504	(1.0%)	<b>85,508</b>	90,765	(5.8%)
Gain/(loss) on divestments	9	1,110	(2,321)	n.m.	599	(9,871)	n.m.
Gain on bond buyback	10	-	3,068	n.m.	-	3,068	n.m.
Fair value loss – investment properties		(20,002)	(75,987)	73.7%	(27,677)	(133,570)	79.3%
Fair value loss – derivative financial instruments		(4,412)	(7,791)	43.4%	(2,723)	(8,769)	68.9%
<b>Total return/(loss) for the period/year before tax</b>		<b>18,760</b>	(40,527)	n.m.	<b>55,707</b>	(58,377)	n.m.
Income tax expense	13	(15,058)	(17,812)	15.5%	(20,226)	(15,522)	(30.3%)
<b>Total return/(loss) for the period/year</b>		<b>3,702</b>	(58,339)	n.m.	<b>35,481</b>	(73,899)	n.m.
<b>Total return/(loss) for the period/year attributable to:</b>							
Unitholders		2,531	(59,510)	n.m.	33,153	(76,225)	n.m.
Perpetual securities holders		1,171	1,171	-	2,328	2,326	0.1%
		3,702	(58,339)	n.m.	35,481	(73,899)	n.m.
<b>Earnings per unit</b>							
Basic and diluted earnings per unit (€ cents)	11	0.450	(10.582)	n.m.	5.895	(13.554)	n.m.

n.m. – not meaningful

## Unaudited Condensed Consolidated Statement of Comprehensive Income Six-month period and full year ended 31 December 2024

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
<b>Total return/(loss) for the period/year</b>	<b>3,702</b>	(58,339)	n.m.	<b>35,481</b>	(73,899)	n.m.
<b>Items that may be reclassified subsequently to profit or loss:</b>						
Foreign exchange differences on translation of foreign operations	516	(229)	n.m.	822	25	n.m.
<b>Other comprehensive income/(loss) for the period/year, net of tax</b>	<b>516</b>	(229)	n.m.	<b>822</b>	25	n.m.
<b>Total comprehensive income/(loss) for the period/year</b>	<b>4,218</b>	(58,568)	n.m.	<b>36,303</b>	(73,874)	n.m.
<b>Total comprehensive income/(loss) for the period/year attributable to:</b>						
Unitholders	3,047	(59,739)	n.m.	33,975	(76,200)	n.m.
Perpetual securities holders	1,171	1,171	-	2,328	2,326	0.1%
	<b>4,218</b>	(58,568)	n.m.	<b>36,303</b>	(73,874)	n.m.

n.m. – not meaningful



## Unaudited Condensed Balance Sheets As at 31 December 2024

	Note	SERT			Trust		
		31-Dec-24 €'000	31-Dec-23 €'000	Increase/ (Decrease) %	31-Dec-24 €'000	31-Dec-23 €'000	Increase/ (Decrease) %
<b>Current assets</b>							
Cash and cash equivalents		38,536	73,795	(47.8%)	2,558	3,309	(22.7%)
Assets held for sale	14	15,000	17,300	(13.3%)	-	-	-
Receivables		21,617	14,450	49.6%	70,480	80,016	(11.9%)
Current tax assets		2,332	1,829	27.5%	-	-	-
Derivative financial instruments	17	-	5,879	n.m.	-	-	-
<b>Total current assets</b>		<b>77,485</b>	<b>113,253</b>	<b>(31.6%)</b>	<b>73,038</b>	<b>83,325</b>	<b>(12.3%)</b>
<b>Non-current assets</b>							
Investment properties	15	2,231,832	2,241,570	(0.4%)	-	-	-
Investments in subsidiaries		-	-	-	1,211,792	1,214,988	(0.3%)
Receivables		91	87	4.6%	-	-	-
Derivative financial instruments	17	9,126	5,769	58.2%	7,050	5,769	22.2%
Deferred tax assets		3,625	6,794	(46.6%)	-	-	-
<b>Total non-current assets</b>		<b>2,244,674</b>	<b>2,254,220</b>	<b>(0.4%)</b>	<b>1,218,842</b>	<b>1,220,757</b>	<b>(0.2%)</b>
<b>Total assets</b>		<b>2,322,159</b>	<b>2,367,473</b>	<b>(1.9%)</b>	<b>1,291,880</b>	<b>1,304,082</b>	<b>(0.9%)</b>
<b>Current liabilities</b>							
Borrowings	16	450,000	-	n.m.	-	-	-
Payables		37,817	42,073	(10.1%)	173,032	116,557	48.5%
Current tax liabilities		4,790	3,947	21.4%	128	74	73.0%
Other current liabilities		34,823	36,234	(3.9%)	-	-	-
<b>Total current liabilities</b>		<b>527,430</b>	<b>82,254</b>	<b>&gt;100%</b>	<b>173,160</b>	<b>116,631</b>	<b>48.5%</b>
<b>Non-current liabilities</b>							
Payables		-	-	-	191,770	170,830	12.3%
Borrowings	16	498,681	947,600	(47.4%)	-	-	-
Derivative financial instruments	17	481	279	72.4%	481	198	>100%
Deferred tax liabilities		84,061	74,527	12.8%	-	-	-
Other non-current liabilities		6,484	7,672	(15.5%)	-	-	-
<b>Total non-current liabilities</b>		<b>589,707</b>	<b>1,030,078</b>	<b>(42.8%)</b>	<b>192,251</b>	<b>171,028</b>	<b>12.4%</b>
<b>Total liabilities</b>		<b>1,117,137</b>	<b>1,112,332</b>	<b>0.4%</b>	<b>365,411</b>	<b>287,659</b>	<b>27.0%</b>
<b>Net assets</b>		<b>1,205,022</b>	<b>1,255,141</b>	<b>(4.0%)</b>	<b>926,469</b>	<b>1,016,423</b>	<b>(8.9%)</b>
Represented by:							
Unitholders' funds		1,140,818	1,190,937	(4.2%)	862,265	952,219	(9.4%)
Perpetual securities holders' funds	19	64,204	64,204	-	64,204	64,204	-
		<b>1,205,022</b>	<b>1,255,141</b>	<b>(4.0%)</b>	<b>926,469</b>	<b>1,016,423</b>	<b>(8.9%)</b>
Units in issue ('000)	18	562,392	562,392	-	562,392	562,392	-
Net asset value attributable to Unitholders per Unit (€)	21	2.03	2.12	(4.2%)	1.53	1.69	(9.5%)

n.m. – not meaningful





## Unaudited Distribution Statement

### Six-month period and full year ended 31 December 2024

Note	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav/ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav/ (Unfav.) %
Amount available for distribution to Unitholders at beginning of period/year	39,855	44,018	n.a.	44,652	47,978	n.a.
Total return/(loss) for the period/year	3,702	(58,339)	n.m.	35,481	(73,899)	n.m.
Less: Total return attributable to perpetual securities holders	(1,171)	(1,171)	-	(2,328)	(2,326)	0.1%
Distribution adjustments (Note A)	37,148	103,955	n.a.	46,175	164,479	n.a.
<b>Income available for distribution to Unitholders</b>	<b>39,679</b>	<b>44,445</b>	<b>(10.7%)</b>	<b>79,328</b>	<b>88,254</b>	<b>(10.1%)</b>
<b>Amount available for distribution to Unitholders</b>	<b>79,534</b>	<b>88,463</b>	<b>(10.1%)</b>	<b>123,980</b>	<b>136,232</b>	<b>(9.0%)</b>
Distribution to Unitholders during the period/year (Note B)	12 (39,648)	(43,811)	(9.5%)	(84,094)	(91,580)	(8.2%)
<b>Amount available for distribution at end of period/year</b>	<b>39,886</b>	<b>44,652</b>	<b>n.a.</b>	<b>39,886</b>	<b>44,652</b>	<b>n.a.</b>
<b>Distribution per Unit ("DPU") (€ cents) for the period/year <sup>(1)</sup></b>	<b>11 7.056</b>	7.903	(10.7%)	<b>14.106</b>	15.693	(10.1%)
<b>Note A - Distribution adjustments</b>						
Straight-line rent adjustments and leasing fees	1,008	750	34.4%	1,680	1,332	26.1%
Trustee Fees	134	143	(6.3%)	270	291	(7.2%)
(Gain)/loss on divestments	(1,110)	2,321	n.m.	(599)	9,871	n.m.
Gain on bond buyback	-	(3,068)	n.m.	-	(3,068)	n.m.
Amortisation of debt issuance costs	1,659	2,841	(41.6%)	3,019	4,462	(32.3%)
Fair value adjustments – investment properties	20,002	75,987	(73.7%)	27,677	133,570	(79.3%)
Fair value adjustments – derivative financial instruments	4,412	7,791	(43.4%)	2,723	8,769	(68.9%)
Net foreign exchange (gain)/loss	(844)	681	n.m.	(1,932)	(792)	(> 100%)
Deferred tax expense	11,435	16,262	(29.7%)	12,686	9,695	30.9%
Others	452	247	83.0%	651	349	86.5%
<b>Total distribution adjustments</b>	<b>37,148</b>	<b>103,955</b>	<b>n.a.</b>	<b>46,175</b>	<b>164,479</b>	<b>n.a.</b>

n.m. – Not meaningful

n.a. – Not applicable

<sup>(1)</sup> DPU is calculated based on the total number of units in issue entitled to distributions as at the record date of each distribution.



## Unaudited Distribution Statement (continued) Six-month period and full year ended 31 December 2024

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav/ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav/ (Unfav.) %
<b>Note B - Distributions to Unitholders during the period/year</b>						
Distribution of 7.050 cpu from 1 Jan 2024 to 30 Jun 2024	<b>39,648</b>	-	n.m.	<b>39,648</b>	-	n.m.
Distribution of 7.903 cpu from 1 Jul 2023 to 31 Dec 2023	-	-	n.m.	<b>44,446</b>	-	n.m.
Distribution of 7.790 cpu from 1 Jan 2023 to 30 Jun 2023	-	43,811	n.m.	-	43,811	n.m.
Distribution of 8.494 cpu from 1 Jul 2022 to 31 Dec 2022	-	-	n.m.	-	47,769	n.m.
	<b>39,648</b>	43,811	(9.5%)	<b>84,094</b>	91,580	(8.2%)

n.m. – Not meaningful

## Unaudited Condensed Statements of Movements in Unitholders' Funds Six-month period and full year ended 31 December 2024

	SERT		Trust	
	2H 2024 €'000	2H 2023 €'000	2H 2024 €'000	2H 2023 €'000
<b>Unitholders' funds</b>				
At beginning of the period	<b>1,177,419</b>	1,294,487	<b>915,740</b>	1,069,692
<b>Operations</b>				
Total return/(loss) for the period	<b>3,702</b>	(58,339)	<b>(12,656)</b>	(72,491)
Less: Total return for the period attributable to perpetual securities holders	<b>(1,171)</b>	(1,171)	<b>(1,171)</b>	(1,171)
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b>2,531</b>	(59,510)	<b>(13,827)</b>	(73,662)
<b>Movement in foreign currency translation reserve</b>	<b>516</b>	(229)	-	-
<b>Unitholders' transaction</b>				
Distributions paid to Unitholders (Note 12)	<b>(39,648)</b>	(43,811)	<b>(39,648)</b>	(43,811)
<b>Net decrease in net assets resulting from Unitholders' transaction</b>	<b>(39,648)</b>	(43,811)	<b>(39,648)</b>	(43,811)
<b>Unitholders' funds at end of the period</b>	<b>1,140,818</b>	1,190,937	<b>862,265</b>	952,219
<b>Perpetual securities holders' funds</b>				
At beginning of the period	<b>64,201</b>	64,201	<b>64,201</b>	64,201
Total return for the period attributable to perpetual securities holders	<b>1,171</b>	1,171	<b>1,171</b>	1,171
Distribution paid to perpetual securities holders	<b>(1,168)</b>	(1,168)	<b>(1,168)</b>	(1,168)
<b>Perpetual securities holders' funds at end of the period</b>	<b>64,204</b>	64,204	<b>64,204</b>	64,204
<b>Total at end of the period</b>	<b>1,205,022</b>	1,255,141	<b>926,469</b>	1,016,423

## Unaudited Condensed Statements of Movements in Unitholders' Funds (continued)

Six-month period and full year ended 31 December 2024

	SERT		Trust	
	FY 2024	FY 2023	FY 2024	FY 2023
	€'000	€'000	€'000	€'000
<b>Unitholders' funds</b>				
At beginning of the year	1,190,937	1,358,717	952,219	1,129,347
<b>Operations</b>				
Total return/(loss) for the year	35,481	(73,899)	(3,532)	(83,222)
Less: Total return for the year attributable to perpetual securities holders	(2,328)	(2,326)	(2,328)	(2,326)
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b>33,153</b>	<b>(76,225)</b>	<b>(5,860)</b>	<b>(85,548)</b>
<b>Movement in foreign currency translation reserve</b>	<b>822</b>	<b>25</b>	<b>-</b>	<b>-</b>
<b>Unitholders' transactions</b>				
Distributions paid to Unitholders (Note 12)	(84,094)	(91,580)	(84,094)	(91,580)
<b>Net decrease in net assets resulting from Unitholders' transactions</b>	<b>(84,094)</b>	<b>(91,580)</b>	<b>(84,094)</b>	<b>(91,580)</b>
<b>Unitholders' funds at end of the year</b>	<b>1,140,818</b>	<b>1,190,937</b>	<b>862,265</b>	<b>952,219</b>
<b>Perpetual securities holders' funds</b>				
At beginning of the year	64,204	64,204	64,204	64,204
Total return for the year attributable to perpetual securities holders	2,328	2,326	2,328	2,326
Distribution paid to perpetual securities holders	(2,328)	(2,326)	(2,328)	(2,326)
<b>Perpetual securities holders' funds at end of the year</b>	<b>64,204</b>	<b>64,204</b>	<b>64,204</b>	<b>64,204</b>
<b>Total at end of the year</b>	<b>1,205,022</b>	<b>1,255,141</b>	<b>926,469</b>	<b>1,016,423</b>

## Unaudited Condensed Consolidated Statement of Cash Flows

### Full year ended 31 December 2024

	FY2024 €'000	FY2023 €'000
<b>Cash flows from operating activities</b>		
Total return/(loss) for the year before tax	55,707	(58,377)
<i>Adjustments for:</i>		
Amortisation of lease costs	2,954	2,487
Straight-line rent adjustments and leasing fees	(721)	(1,881)
(Gain)/loss on divestments	(599)	9,871
Gain on bond buyback	-	(3,068)
Net finance costs	35,996	32,380
Allowance for credit losses	1,610	1,909
Change in fair value of investment properties	27,677	133,570
Change in fair value of derivative financial instruments	2,723	8,769
Net foreign exchange gain	(1,932)	(792)
Operating cash flows before movements in working capital	123,415	124,868
<i>Changes in operating assets and liabilities:</i>		
(Increase)/decrease in receivables	(2,810)	413
Decrease in payables	(6,155)	(5,399)
(Decrease)/increase in other liabilities	(3,139)	5,924
<b>Cash generated from operations</b>	111,311	125,806
Interest paid	(39,290)	(35,295)
Interest received	5,919	6,495
Tax paid	(7,200)	(7,874)
<b>Net cash provided by operating activities</b>	70,740	89,132
<b>Cash flows from investing activities</b>		
Payments for capital expenditure on investment properties	(43,599)	(83,053)
Proceeds from divestment of investment properties and assets held for sale	26,156	196,506
Payment for transaction costs for divestments of investment properties and assets held for sale	(811)	(1,861)
<b>Net cash (used in)/provided by investing activities</b>	(18,254)	111,592
<b>Cash flows from financing activities</b>		
Payment of unit issue costs	-	(13)
Proceeds from bank borrowings	211,175	306,000
Repayment of bank borrowings and Euro Medium Term Notes ("EMTN")	(208,375)	(368,557)
Payment for transaction costs related to borrowings and EMTN	(3,612)	(4,300)
Net payment to acquire/settlement of derivative financial instruments	-	(986)
Distributions paid to Unitholders	(84,094)	(91,580)
Distributions paid to Perpetual securities holders	(2,328)	(2,326)
Payment of finance lease	(511)	(599)
<b>Net cash used in financing activities</b>	(87,745)	(162,361)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(35,259)	38,363
Cash and cash equivalents at beginning of year	73,795	35,432
<b>Cash and cash equivalents at end of year</b>	38,536	73,795

## Statement of Portfolio As at 31 December 2024

Property <i>(by Geography)</i>	Location	Acquisition Date	Land Tenure	Remaining Term Of Leasehold (Years)		Carrying Amount		Percentage of Net Assets	
				31-Dec-24	31-Dec-23	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 %	31-Dec-23 %
<b>The Netherlands</b>									
<b>Logistics / Light industrial</b>									
Veemarkt	Veemarkt 27-75 / 50-76 / 92-114, Amsterdam	30 Nov 2017	Continuing leasehold	Various 14.0-18.0	Various 15.0-19.0	52,270	47,100	4.3	3.8
De Immenhorst 7	De Immenhorst 7, s'Heerenberg	23 Dec 2021	Freehold	n/a	n/a	11,160	11,100	0.9	0.9
Boekweitstraat 1 - 21 & Luzernestraat 2 - 12	Boekweitstraat 1 - 21 & Luzernestraat 2 - 12, Nieuw-Vennep	30 Nov 2017	Freehold	n/a	n/a	11,290	10,700	0.9	0.9
Rosa Castellanosstraat 4	Rosa Castellanosstraat 4, Tilburg	30 Dec 2021	Freehold	n/a	n/a	10,930	10,700	0.9	0.9
Capronilaan 22 - 56	Capronilaan 22 - 56, Schiphol-Rijk	30 Nov 2017	Freehold	n/a	n/a	9,356	9,620	0.8	0.8
Kapoeasweg 4 - 16	Kapoeasweg 4 - 16, Amsterdam	30 Nov 2017	Freehold	n/a	n/a	7,842	7,290	0.7	0.6
Folkstoneweg 5 - 15	Folkstoneweg 5 - 15, Schiphol	30 Nov 2017	Leasehold	15.9	16.9	4,186	6,290	0.3	0.5
<b>Office</b>									
Haagse Poort	Prinses Beatrixlaan 35 - 37 & Schenkkade 60 - 65, Den Haag	30 Nov 2017	Part Freehold, Part Right of Superficies and Part Perpetual	n/a	n/a	161,100	163,200	13.4	13.0
Central Plaza	Plaza 2 – 25 (retail) / Weena 580 – 618 (offices), Rotterdam	19 Jun 2017	Freehold/leasehold <sup>(1)</sup>	63.6	64.6	140,300	140,800	11.6	11.2
Bastion	Willemsplein 2 - 10, 's-Hertogenbosch	28 Dec 2018	Freehold	n/a	n/a	64,800	67,200	5.4	5.4
Moeder Teresalaan 100 / 200	Moeder Teresalaan 100 / 200, Utrecht	28 Dec 2018	Perpetual leasehold	n/a	n/a	51,600	56,300	4.3	4.5
De Ruyterkade 5	De Ruyterkade 5, Amsterdam	19 Jun 2017	Leasehold	63.5	64.5	43,010	50,400	3.6	4.0
Koningskade 30	Koningskade 30, Den Haag	19 Jun 2017	Perpetual leasehold	n/a	n/a	19,180	19,200	1.6	1.5
Blaak 40	Blaak 40, Rotterdam	30 Nov 2017	Freehold	n/a	n/a	17,260	16,700	1.4	1.3

n/a – not applicable

(1) Part freehold and part leasehold interest ending 31 July 2088.

Property <i>(by Geography)</i>	Location	Acquisition Date	Land Tenure	Remaining Term Of Leasehold (Years)		Carrying Amount		Percentage of Net Assets	
				31-Dec-24	31-Dec-23	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 %	31-Dec-23 %
<b>France</b>									
<b>Logistics / Light industrial</b>									
Parc des Docks	50 rue Ardoin, Saint Ouen	30 Nov 2017	Freehold	n/a	n/a	163,800	164,450	13.6	13.1
Parc des Guillaumees	58 rue de Neuilly – 2 rue du Trou Morin, ZAC des Guillaumees, Noisy-le-Sec	30 Nov 2017	Freehold	n/a	n/a	35,900	34,450	3.0	2.9
Parc du Landy	61 rue du Landy, Aubervilliers	30 Nov 2017	Freehold	n/a	n/a	29,600	29,000	2.5	2.3
Parc des Grésillons	167-169 avenue des Grésillons, Gennevilliers	30 Nov 2017	Freehold	n/a	n/a	27,600	26,750	2.3	2.1
Parc Delizy	32 rue Délizy, Pantin	30 Nov 2017	Freehold	n/a	n/a	23,300	24,250	1.9	1.9
Parc Urbaparc	75-79 rue du Rateau, La Courneuve	30 Nov 2017	Freehold	n/a	n/a	19,700	19,200	1.6	1.5
Parc du Merantais	1-3 rue Georges Guynemer, Magny-Les-Hameaux	30 Nov 2017	Freehold	n/a	n/a	12,300	11,600	1.0	0.9
Parc Béziers	Rue Charles Nicolle, Villeneuve-lès-Béziers	23 Jan 2019	Freehold	n/a	n/a	12,900	11,350	1.1	0.9
Parc Louvresses	46-48 boulevard Dequevauvilliers, Gennevilliers	14 Feb 2019	Leasehold	22.45	23.45	10,000	9,195	0.8	0.7
Parc Jean Mermoz	53 rue de Verdun – 81, rue Maurice Berteaux, La Courneuve	30 Nov 2017	Freehold	n/a	n/a	8,730	9,180	0.7	0.7
Parc Locaparc 2	59-65 rue Edith Cavell, Vitry-sur-Seine	30 Nov 2017	Freehold	n/a	n/a	10,300	9,170	0.9	0.7
Parc le Prunay	13-41 rue Jean Pierre Timbaud, ZI du Prunay, Sartrouville	30 Nov 2017	Freehold	n/a	n/a	10,100	8,950	0.8	0.7
Parc des Érables	154 allée des Érables, Villepinte	30 Nov 2017	Freehold	n/a	n/a	10,100	8,850	0.8	0.7
Parc de Champs	40 boulevard de Nesles, ZAC le Ru du Nesles, Champs sur Marne	30 Nov 2017	Freehold	n/a	n/a	7,900	7,410	0.7	0.6
Parc Acticlub	2 rue de la Noue Guimante, ZI de la Courtillière, Saint Thibault des Vignes	30 Nov 2017	Freehold	n/a	n/a	7,510	6,830	0.6	0.5
Parc Parçay-Meslay	ZI du Papillon, Parçay-Meslay	23 Jan 2019	Freehold	n/a	n/a	5,090	4,360	0.4	0.3
Parc Sully	105 route d'Orléans, Sully-sur-Loire	23 Jan 2019	Freehold	n/a	n/a	2,560	3,070	0.2	0.2
<b>Office</b>									
Paryseine	3 Allée de la Seine, Ivry-Sur Seine, Paris	17 Jul 2019	Freehold	n/a	n/a	28,500	27,370	2.4	2.2
Cap Mermoz	38-44 rue Jean Mermoz, Maisons-Laffitte, Paris	17 Jul 2019	Freehold	n/a	n/a	26,700	26,370	2.2	2.1
Lénine <sup>(2)</sup>	1 rue de Lénine, 94200 Ivry-Sur Seine, Ivry-Sur Seine, Paris	17 Jul 2019	Freehold	n/a	n/a	-	2,190	-	0.2

n/a – not applicable

(2) The property was disposed on 30 September 2024

Property <i>(by Geography)</i>	Location	Acquisition Date	Land Tenure	Remaining Term Of Leasehold (Years)		Carrying Amount		Percentage of Net Assets	
				31-Dec-24	31-Dec-23	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 %	31-Dec-23 %
<b>Italy</b>									
<b>Logistics / Light industrial</b>									
Centro Logistico Orlando Marconi	Via del Lavoro, 63076 Monteprendone	23 Dec 2020	Freehold	n/a	n/a	60,800	57,500	5.0	4.6
Via dell'Industria 18	Via dell'Industria 18, Vittuone	17 Mar 2022	Freehold	n/a	n/a	39,660	35,400	3.3	2.8
Via Fogliano 1	Via Fogliano 1, Coccaglio, Brescia	15 Feb 2022	Freehold	n/a	n/a	26,580	26,000	2.2	2.1
Via Fornace	Via Fornace snc, Mira	29 Oct 2021	Freehold	n/a	n/a	21,840	18,600	1.8	1.5
Strada Provinciale Adelfia	Strada Provinciale Adelfia, Rutigliano	30 Nov 2017	Freehold	n/a	n/a	16,620	16,600	1.4	1.3
<b>Office</b>									
Nervesa21	Via Nervesa 21, Milan	30 Nov 2017	Freehold	n/a	n/a	56,470	47,300	4.7	3.8
Via Pianciani 26	Via Pianciani 26, Rome	30 Nov 2017	Freehold	n/a	n/a	34,080	33,600	2.8	2.7
Maxima (formerly Via dell'Amba Aradam 5)	Via dell'Amba Aradam 5, Rome	30 Nov 2017	Freehold	n/a	n/a	25,240	29,900	2.1	2.4
Building F7-F11	Viale Milanofiori 1, Assago	30 Nov 2017	Freehold	n/a	n/a	20,670	22,200	1.7	1.8
Via Camillo Finocchiaro Aprile 1	Via Camillo Finocchiaro Aprile 1, Genova	05 Dec 2018	Freehold	n/a	n/a	18,960	18,500	1.6	1.5
Cassiopea 1-2-3	Via Paracelso 22-24-26, Milan	28 Nov 2019	Freehold	n/a	n/a	11,650	13,100	1.0	1.0
Nuova ICO	Via Guglielmo Jervis 9, Ivrea	27 Jun 2018	Freehold	n/a	n/a	6,705	7,230	0.6	0.6
Corso Annibale Santorre di Santa Rosa 15	Corso Annibale Santorre di Santa Rosa 15, Cuneo	30 Nov 2017	Freehold	n/a	n/a	6,160	6,030	0.5	0.5
Via della Fortezza 8 <sup>(3)</sup>	Via della Fortezza 8, Florence	15 Feb 2018	Freehold	n/a	n/a	-	15,100	-	1.2
Via Rampa Cavalcavia 16-18 <sup>(4)</sup>	Via Rampa Cavalcavia 16-18, Venice Mestre	30 Nov 2017	Freehold	n/a	n/a	-	4,370	-	0.3
<b>Other</b>									
Starhotels Grand Milan	Via Varese 23, Saronno	30 Nov 2017	Freehold	n/a	n/a	20,800	18,800	1.7	1.5
Via Madre Teresa 4	Via Madre Teresa 4, Lissone	30 Nov 2017	Freehold	n/a	n/a	12,130	14,200	1.0	1.1
Via Salara Vecchia 13	Via Salara Vecchia 13, Pescara	30 Nov 2017	Freehold	n/a	n/a	10,710	10,900	0.9	0.9

n/a – not applicable

(3) The property was classified as "Asset Held for Sale" pursuant to a binding offer entered into with an unrelated third party on 6 December 2024 (see note 14)

(4) The property was disposed on 19 December 2024



Property <i>(by Geography)</i>	Location	Acquisition Date	Land Tenure	Remaining Term Of Leasehold (Years)		Carrying Amount		Percentage of Net Assets	
				31-Dec-24	31-Dec-23	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 %	31-Dec-23 %
<b>Germany</b>									
<b>Logistics / Light industrial</b>									
Parsdorfer Weg 10	Parsdorfer Weg 10, Kirchheim	30 Nov 2017	Freehold	n/a	n/a	38,950	37,300	3.2	3.0
Siemensstraße 11	Siemensstraße 11, Frickenhausen	30 Nov 2017	Freehold	n/a	n/a	18,120	18,100	1.5	1.4
An der Wasserschluft 7	An der Wasserschluft 7, 06526 Sangerhausen	13 Aug 2020	Freehold	n/a	n/a	20,420	17,700	1.7	1.4
Löbstedter Str. 101-109	Löbstedter Str. 101 – 109, Unstrutweg 1, 4, Ilmstr. 4, 4a, Jena	21 Apr 2022	Freehold	n/a	n/a	15,500	16,400	1.3	1.3
Göppinger Straße 1 – 3	Pforzheim, Göppinger Straße 1 – 3	24 Mar 2020	Freehold	n/a	n/a	15,030	15,600	1.2	1.2
An der Kreuzlache 8-12	An der Kreuzlache 8-12, Bischofsheim	30 Nov 2017	Freehold	n/a	n/a	13,550	14,200	1.1	1.1
Gewerbestraße 62	Bretten, Gewerbestraße 62	24 Mar 2020	Freehold	n/a	n/a	13,510	14,000	1.1	1.1
Hochstraße 150-152	Hochstraße 150-152, Duisburg	30 Nov 2017	Freehold	n/a	n/a	15,010	12,100	1.2	1.0
Henschelring 4	Henschelring 4, Kirchheim	30 Nov 2017	Freehold	n/a	n/a	12,790	11,900	1.1	0.9
Kolumbusstraße 16	Kolumbusstraße 16, Hamburg	30 Nov 2017	Freehold	n/a	n/a	10,970	10,200	0.9	0.8
Moorfleeter Straße 27, Liebigstraße 67-71	Moorfleeter Straße 27, Liebigstraße 67-71, Hamburg	30 Nov 2017	Freehold	n/a	n/a	10,850	8,750	0.9	0.7
Frauenstraße 31	Frauenstraße 31, Maisach	30 Nov 2017	Freehold	n/a	n/a	10,170	10,100	0.8	0.8
Gutenbergstraße 1, Dieselstraße 2	Königsbach-Stein, Gutenbergstraße 1, Dieselstraße 2	24 Mar 2020	Freehold	n/a	n/a	9,157	9,480	0.8	0.8
Dresdner Straße 16, Sachsenring 52	Dresdner Straße 16, Sachsenring 52, Straubing	30 Nov 2017	Freehold	n/a	n/a	8,904	8,750	0.7	0.7
<b>Poland</b>									
<b>Office</b>									
Business Garden	2, 4, 6, 8 and 10 Kolorowa Street, Poznań	24 Sep 2019	Freehold	n/a	n/a	70,000	72,900	5.8	5.8
Green Office	80, 80A, 82 and 84 Czerwone Maki Street, Kraków	25 Jul 2019	Freehold	n/a	n/a	36,900	39,400	3.1	3.1
Riverside Park	Fabryczna 5, Warsaw	14 Feb 2019	Perpetual usufruct	n/a	n/a	21,600	22,800	1.8	1.8
Avatar	28 Armii Krajowej Street, Kraków	25 Jul 2019	Freehold / Perpetual usufruct	n/a	n/a	19,400	19,950	1.6	1.6
Arkońska Business Park	Arkońska 1&2, Gdańsk	14 Feb 2019	Perpetual usufruct	n/a	n/a	7,960	11,200	0.7	0.9

n/a – not applicable

Property <i>(by Geography)</i>	Location	Acquisition Date	Land Tenure	Remaining Term Of Leasehold (Years)		Carrying Amount		Percentage of Net Assets	
				31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
				€'000	€'000	%	%		
<b>Denmark</b>									
<b>Logistics / Light industrial</b>									
Naverland 7-11	Naverland 7-11, Glostrup	30 Nov 2017	Freehold	n/a	n/a	18,613	18,340	1.5	1.5
Sognevej 25	Sognevej 25, Brøndby, Copenhagen	14 Oct 2022	Freehold	n/a	n/a	17,111	15,557	1.4	1.2
Priorparken 700	Priorparken 700, Brøndby	30 Nov 2017	Freehold	n/a	n/a	16,468	15,054	1.4	1.2
Priorparken 800	Priorparken 800, Brøndby	30 Nov 2017	Freehold	n/a	n/a	16,682	13,103	1.4	1.0
Stamholmen 111	Stamholmen 111, Hvidovre	30 Nov 2017	Freehold	n/a	n/a	11,358	12,124	0.9	1.0
Islevdalvej 142	Islevdalvej 142, Rødovre	30 Nov 2017	Freehold	n/a	n/a	11,358	10,621	0.9	0.8
Herstedvang 2-4	Herstedvang 2-4, Albertslund	30 Nov 2017	Freehold	n/a	n/a	10,513	9,897	0.9	0.8
Naverland 8	Naverland 8, Glostrup	30 Nov 2017	Freehold	n/a	n/a	9,548	9,119	0.8	0.7
Hørskædden 4-6	Hørskædden 4-6, Tåstrup	30 Nov 2017	Freehold	n/a	n/a	9,038	7,524	0.8	0.6
Fabriksparken 20	Fabriksparken 20, Glostrup	30 Nov 2017	Freehold	n/a	n/a	8,261	7,269	0.7	0.6
Hørskædden 5	Hørskædden 5, Tåstrup	30 Nov 2017	Freehold	n/a	n/a	6,558	4,882	0.5	0.4
Naverland 12	Naverland 12, Glostrup	30 Nov 2017	Freehold	n/a	n/a	5,270	4,814	0.4	0.4
<b>Czech Republic</b>									
<b>Logistics / Light industrial</b>									
Lovosice ONE Industrial Park I.	Tovami 1162, 410 02 Lovosice	11 Mar 2021	Freehold	n/a	n/a	18,300	17,500	1.5	1.4
Lovosice ONE Industrial Park II.	Prumyslova 1190, 410 02 Lovosice	11 Mar 2021	Freehold	n/a	n/a	16,000	16,450	1.3	1.3
Moravia Industrial Park	Jaktare 1752, 686 01 Uherske Hradiste	11 Mar 2021	Freehold	n/a	n/a	15,100	15,650	1.3	1.2
One-Hradec Králové	Vážní 536, 500 03 Hradec Králové	4 Jun 2021	Freehold	n/a	n/a	11,200	11,500	0.9	0.9
South Moravia Industrial Park	Cukrovarska 494/39, Mesto, 682 01 Vyskov	11 Mar 2021	Freehold	n/a	n/a	10,100	10,400	0.8	0.8
Pisek Industrial Park I.	Stanislava Mlainy 464, 397 01 Pisek	11 Mar 2021	Freehold	n/a	n/a	3,980	4,180	0.3	0.3
Pisek Industrial Park II.	U Hrebince 2564/23, 391 01 Pisek	11 Mar 2021	Freehold	n/a	n/a	1,690	1,730	0.1	0.1
<b>Slovakia</b>									
<b>Logistics / Light industrial</b>									
Nove Mesto ONE Industrial Park I	Beckov 645, 916 38 Beckov	11 Mar 2021	Freehold	n/a	n/a	26,650	24,950	2.2	2.0
Nove Mesto ONE Industrial Park III	Rakol'uby 242, 916 31 Kocovce	11 Mar 2021	Freehold	n/a	n/a	21,300	21,570	1.8	1.7
Nove Mesto ONE Industrial Park II	Kocovce 245, 916 31 Kocovce	11 Mar 2021	Freehold	n/a	n/a	9,530	9,360	0.8	0.7
Kosice Industrial Park	Vel'ka Ida 785, 044 55 Velká Ida	11 Mar 2021	Freehold	n/a	n/a	9,380	10,400	0.8	0.8
Zilina Industrial Park	Priemyselna 1, 013 02 Nededza	11 Mar 2021	Freehold	n/a	n/a	4,550	4,560	0.4	0.4

n/a – not applicable

Property <i>(by Geography)</i>	Location	Acquisition Date	Land Tenure	Remaining Term Of Leasehold (Years)		Carrying Amount		Percentage of Net Assets	
				31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
						€'000	€'000	%	%
<b>United Kingdom</b>									
<b>Logistics / Light industrial</b>									
Thorn Lighting	DurhamGate, Spennymoor, County Durham	17 Dec 2021	Freehold	n/a	n/a	37,507	31,721	3.1	2.5
The Cube	Whitehouse Industrial Estate, Preston Brook, Runcorn, Cheshire WA7 3GA	18 May 2022	Freehold	n/a	n/a	19,730	18,802	1.6	1.5
Kingsland 21	21 Kingsland Grange, Warrington	3 Aug 2021	Freehold	n/a	n/a	11,331	10,382	0.9	0.8
<b>Finland</b>									
<b>Office</b>									
Plaza Vivace	Äyritie 8 C, Vantaa	28 Dec 2018	Freehold	n/a	n/a	8,116	10,700	0.7	0.9
Plaza Forte	Äyritie 12 C, Vantaa	28 Dec 2018	Freehold	n/a	n/a	8,689	10,300	0.7	0.8
Plaza Allegro	Äyritie 8 B, Vantaa	28 Dec 2018	Freehold	n/a	n/a	7,241	8,600	0.6	0.7
Pakkalankuja 6	Pakkalankuja 6, Vantaa	28 Dec 2018	Freehold	n/a	n/a	6,331	7,400	0.5	0.6
Kauppakatu 39	Kauppakatu 39, Kuopio	28 Dec 2018	Freehold	n/a	n/a	6,296	7,100	0.5	0.6
Mäkitorpantie 3b	Mäkitorpantie 3b, Helsinki	28 Dec 2018	Freehold	n/a	n/a	5,174	6,700	0.4	0.5
Myyrmäenraitti 2	Myyrmäenraitti 2, Vantaa	28 Dec 2018	Freehold	n/a	n/a	5,522	6,400	0.5	0.5
Pakkalankuja 7	Pakkalankuja 7, Vantaa	28 Dec 2018	Freehold	n/a	n/a	4,193	5,500	0.3	0.4
Purotie 1	Purotie 1, Helsinki	28 Dec 2018	Freehold	n/a	n/a	2,519	2,300	0.2	0.2
Grandinkulma <sup>(5)</sup>	Kielotie 7, Vantaa	28 Dec 2018	Freehold	n/a	n/a	-	5,600	-	0.4
<b>Portfolio of investment properties, at fair value</b>						<b>2,225,947</b>	<b>2,234,814</b>	<b>184.7</b>	<b>178.1</b>
Other adjustments (note 15(a))						5,885	6,756	0.5	0.5
<b>Investment properties as shown in the balance sheet</b>						<b>2,231,832</b>	<b>2,241,570</b>	<b>185.2</b>	<b>178.6</b>
Other assets and liabilities, net						(1,026,810)	(986,429)	(85.2)	(78.6)
<b>Net assets</b>						<b>1,205,022</b>	<b>1,255,141</b>	<b>100.00</b>	<b>100.00</b>

n/a – not applicable

(5) The property was disposed on 26 April 2024

## Notes to the Unaudited Condensed Interim Financial Statements

### 1 Corporate information

Stoneweg European Real Estate Investment Trust (formerly known as Cromwell European Real Estate Investment Trust) (the "Trust") is a Singapore real estate investment trust constituted pursuant to a trust deed dated 28 April 2017 (date of "Constitution") (as amended, varied or supplemented from time to time) (the "Trust Deed") between Stoneweg EREIT Management Pte. Ltd. (formerly known as Cromwell EREIT Management Pte. Ltd.) as the Manager of SERT (the "Manager") and Perpetual (Asia) Limited as Trustee of SERT (the "Trustee"). SERT was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017 ("Listing Date"). The Trust and its subsidiaries are collectively referred to as "SERT" in the consolidated financial statements.

SERT has a principal mandate to invest, directly or indirectly, in income-producing commercial real estate assets across Europe with a minimum portfolio weighting of at least 75% to Western Europe and at least 75% to the logistics / light industrial and office sectors. SERT currently targets a majority investment weighting to the logistics / light industrial sector while also investing in core office assets in gateway cities. SERT strives to be a resilient, ethical, and socially responsible organisation that contributes positively to all stakeholders, leading to higher risk-adjusted returns while maintaining an appropriate capital structure.

### 2 Basis of preparation

The condensed interim financial statements for the six-month period and full year ended 31 December 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in SERT's financial position and performance of SERT since the last annual financial statements for the year ended 31 December 2023 and the unaudited interim financial statements for the period ended 30 June 2024.

The accounting policies adopted and method of computation are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards adopted by the International Accounting Standards Board, the recommendations of *The Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" (Revised 2017)* issued by the Institute of Singapore Chartered Accountants and the provisions of the Trust Deed.

The condensed interim financial statements are presented in Euro ("€") and had been rounded to the nearest thousand, unless otherwise stated.

#### 2.1 New and amended standards adopted by SERT

The accounting policies applied by SERT in these interim financial statements are the same as those applied by SERT in the financial statements as at and for the year ended 31 December 2023.

#### 2.2 Use of judgements and estimates

The preparation of the condensed financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying SERT's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical or professional experience and other factors such as expectations about future events. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

<b>Area of estimation</b>	<b>Note</b>
Measurement of deferred tax liabilities	
Determination of fair value of investment properties using significant unobservable inputs	15(c)

### **2.3 Working capital**

As at 31 December 2024, SERT had net current liabilities of €449,945,000. The net current liabilities position was mainly due to the Euro medium term notes of €450.0 million with maturity due in November 2025. The unaudited condensed financial statements have been prepared on a going concern basis as SERT has available adequate sources of funding including undrawn bridge to bond facility of €340.0 million which matures in November 2026 and committed undrawn revolving credit facility of €197.2 million which matures in July 2028 which could be used to repay the bond. Therefore, the Manager is confident that SERT can meet its obligations as and when they fall due. Please refer to note 24 for relevant subsequent events including the issue of a new bond Series 002 in January 2025, make whole redemption of Series 001 in February 2025 and the cancellation of the bridge to bond facility in February 2025.

### **3 Seasonal operations**

SERT's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### **4 Segment and revenue information**

SERT's operating segments regularly reviewed by the Chief Operating Decision Maker ("CODM"), being the Chief Executive Officer ("CEO"), are SERT's property sub-portfolios by location and asset class as each of these sub-portfolios have different performance characteristics.

At 31 December 2024, SERT operated in three property segments and ten (31 December 2023: ten) countries. The property segments below are reported in a manner consistent with the internal reporting provided to the CODM.



#### 4.1 Segment results

SERT	2H 2024			2H 2023		
	Gross revenue from external customers €'000	Property operating expenditure €'000	Segment Profit €'000	Gross revenue from external customers €'000	Property operating expenditure €'000	Segment Profit €'000
<i>Logistics / Light industrial</i>						
The Netherlands	3,615	(955)	2,660	3,470	(1,052)	2,418
France	17,072	(6,581)	10,491	17,074	(7,254)	9,820
Italy	6,678	(2,161)	4,517	5,926	(1,647)	4,279
Germany	9,083	(3,231)	5,852	9,265	(2,826)	6,439
Denmark	5,923	(2,633)	3,290	6,392	(2,986)	3,406
Czech Republic	2,698	(797)	1,901	2,682	(749)	1,933
Slovakia	3,452	(1,115)	2,337	2,897	(927)	1,970
United Kingdom	2,249	(288)	1,961	2,410	(279)	2,131
<b>Total - Logistics / Light industrial</b>	<b>50,770</b>	<b>(17,761)</b>	<b>33,009</b>	<b>50,116</b>	<b>(17,720)</b>	<b>32,396</b>
<i>Office</i>						
The Netherlands	24,501	(8,474)	16,027	23,648	(8,504)	15,144
France	3,147	(2,030)	1,117	3,195	(1,886)	1,309
Italy	8,087	(3,108)	4,979	8,005	(3,193)	4,812
Poland	13,504	(6,797)	6,707	13,232	(6,441)	6,791
Finland	4,194	(2,051)	2,143	4,846	(2,319)	2,527
<b>Total - Office</b>	<b>53,433</b>	<b>(22,460)</b>	<b>30,973</b>	<b>52,926</b>	<b>(22,343)</b>	<b>30,583</b>
<i>Other</i>						
Italy	2,432	(779)	1,653	5,106	(2,339)	2,767
<b>Total - Other</b>	<b>2,432</b>	<b>(779)</b>	<b>1,653</b>	<b>5,106</b>	<b>(2,339)</b>	<b>2,767</b>
<b>Total - Segments</b>	<b>106,635</b>	<b>(41,000)</b>	<b>65,635</b>	<b>108,148</b>	<b>(42,402)</b>	<b>65,746</b>
<i>Unallocated items:</i>						
Other income			1			-
Net finance costs			(18,555)			(16,664)
Manager's fees			(2,704)			(2,882)
Trustee fees			(134)			(143)
Other trust expenses			(3,023)			(2,872)
Net foreign exchange gain/(loss)			844			(681)
Gain/ (loss) on divestments			1,110			(2,321)
Gain on bond buyback			-			3,068
Fair value loss – investment properties			(20,002)			(75,987)
Fair value loss– derivatives financial instruments			(4,412)			(7,791)
Income tax expense			(15,058)			(17,812)
<b>Total return/ (loss) for the period</b>			<b>3,702</b>			<b>(58,339)</b>



	FY 2024			FY 2023		
	Gross revenue from external customers €'000	Property operating expenditure €'000	Segment Profit €'000	Gross revenue from external customers €'000	Property operating expenditure €'000	Segment Profit €'000
<i>Logistics / Light industrial</i>						
The Netherlands	7,144	(1,985)	5,159	7,032	(2,099)	4,933
France	34,114	(13,363)	20,751	33,670	(13,164)	20,506
Italy	12,806	(4,290)	8,516	11,765	(3,144)	8,621
Germany	18,927	(6,520)	12,407	18,037	(5,559)	12,478
Denmark	12,212	(5,213)	6,999	12,809	(5,716)	7,093
Czech Republic	5,418	(1,648)	3,770	5,221	(1,477)	3,744
Slovakia	6,692	(2,345)	4,347	6,087	(2,105)	3,982
United Kingdom	4,686	(573)	4,113	4,620	(516)	4,104
<b>Total - Logistics / Light industrial</b>	<b>101,999</b>	<b>(35,937)</b>	<b>66,062</b>	<b>99,241</b>	<b>(33,780)</b>	<b>65,461</b>
<i>Office</i>						
The Netherlands	47,626	(16,052)	31,574	46,651	(17,411)	29,240
France	6,495	(3,919)	2,576	6,157	(3,754)	2,403
Italy	15,029	(6,217)	8,812	17,665	(7,009)	10,656
Poland	26,783	(13,451)	13,332	24,589	(11,002)	13,587
Finland	8,858	(4,556)	4,302	10,024	(4,869)	5,155
<b>Total - Office</b>	<b>104,791</b>	<b>(44,195)</b>	<b>60,596</b>	<b>105,086</b>	<b>(44,045)</b>	<b>61,041</b>
<i>Other</i>						
Italy	6,129	(1,642)	4,487	12,162	(4,383)	7,779
<b>Total - Other</b>	<b>6,129</b>	<b>(1,642)</b>	<b>4,487</b>	<b>12,162</b>	<b>(4,383)</b>	<b>7,779</b>
<b>Total - Segments</b>	<b>212,919</b>	<b>(81,774)</b>	<b>131,145</b>	<b>216,489</b>	<b>(82,208)</b>	<b>134,281</b>
<i>Unallocated items:</i>						
Other income			107			-
Net finance costs			(35,996)			(32,380)
Manager's fees			(5,431)			(5,894)
Trustee fees			(270)			(291)
Other trust expenses			(5,979)			(5,743)
Net foreign exchange gain			1,932			792
Gain/ (loss) on divestments			599			(9,871)
Gain on bond buyback			-			3,068
Fair value loss– investment properties			(27,677)			(133,570)
Fair value loss - derivative financial instruments			(2,723)			(8,769)
Income tax expense			(20,226)			(15,522)
<b>Total return/ (loss) for the year</b>			<b>35,481</b>			<b>(73,899)</b>

#### 4.2 Segment assets and liabilities

	31-Dec-24			
	Segment assets:	Segment assets:	Segment assets:	Other information:
	Investment properties	Assets held for sale	Total	Capital expenditure and capitalised interest
	€'000	€'000	€'000	€'000
<b>SERT</b>				
<i>Logistics / Light industrial</i>				
The Netherlands	111,270	-	<b>111,270</b>	1,355
France	397,390	-	<b>397,390</b>	2,691
Italy	165,500	-	<b>165,500</b>	6,114
Germany	212,931	-	<b>212,931</b>	1,735
Denmark	140,778	-	<b>140,778</b>	3,660
Czech Republic	76,370	-	<b>76,370</b>	1,271
Slovakia	71,410	-	<b>71,410</b>	2,958
United Kingdom	68,568	-	<b>68,568</b>	135
<b>Total - Logistics / Light industrial</b>	<b>1,244,217</b>	-	<b>1,244,217</b>	<b>19,919</b>
<i>Office</i>				
The Netherlands	497,250	-	<b>497,250</b>	10,981
France	55,200	-	<b>55,200</b>	834
Italy	179,935	15,000	<b>194,935</b>	8,002
Poland	157,509	-	<b>157,509</b>	1,857
Finland	54,081	-	<b>54,081</b>	1,482
<b>Total - Office</b>	<b>943,975</b>	<b>15,000</b>	<b>958,975</b>	<b>23,156</b>
<i>Other</i>				
Italy	43,640	-	<b>43,640</b>	504
<b>Total - Other</b>	<b>43,640</b>	-	<b>43,640</b>	<b>504</b>
<b>Total - Segments</b>	<b>2,231,832</b>	<b>15,000</b>	<b>2,246,832</b>	<b>43,579</b>
<i>Reconciliation to total consolidated assets:</i>				
Cash and cash equivalents			<b>38,536</b>	
Receivables - current			<b>21,617</b>	
Current tax assets			<b>2,332</b>	
Receivables - non-current			<b>91</b>	
Derivative financial instruments			<b>9,126</b>	
Deferred tax assets			<b>3,625</b>	
			<b>2,322,159</b>	

#### Segment liabilities

There are no liabilities allocated to segments.



	31-Dec-23			
	Segment assets:	Segment assets:	Segment assets:	Other information:
<b>SERT</b>	<b>Investment properties</b>	<b>Assets held for sale</b>	<b>Total</b>	<b>Capital expenditure and capitalised interest</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
<i>Logistics / Light industrial</i>				
The Netherlands	107,992	-	<b>107,992</b>	879
France	388,065	-	<b>388,065</b>	3,663
Italy	154,100	-	<b>154,100</b>	11,372
Germany	204,580	-	<b>204,580</b>	3,316
Denmark	128,304	-	<b>128,304</b>	3,566
Czech Republic	77,410	-	<b>77,410</b>	6,048
Slovakia	70,840	-	<b>70,840</b>	12,695
United Kingdom	60,905	-	<b>60,905</b>	44
<b>Total - Logistics / Light industrial</b>	<b>1,192,196</b>	<b>-</b>	<b>1,192,196</b>	<b>41,583</b>
<i>Office</i>				
The Netherlands	513,800	-	<b>513,800</b>	8,703
France	55,930	-	<b>55,930</b>	409
Italy	197,330	-	<b>197,330</b>	25,040
Poland	167,814	15,500	<b>183,314</b>	2,645
Finland	70,600	-	<b>70,600</b>	1,421
<b>Total - Office</b>	<b>1,005,474</b>	<b>15,500</b>	<b>1,020,974</b>	<b>38,218</b>
<i>Other</i>				
Italy	43,900	1,800	<b>45,700</b>	834
<b>Total - Other</b>	<b>43,900</b>	<b>1,800</b>	<b>45,700</b>	<b>834</b>
<b>Total - Segments</b>	<b>2,241,570</b>	<b>17,300</b>	<b>2,258,870</b>	<b>80,635</b>
<i>Reconciliation to total consolidated assets:</i>				
Cash and cash equivalents			<b>73,795</b>	
Receivables - current			<b>14,450</b>	
Current tax assets			<b>1,829</b>	
Receivables - non-current			<b>87</b>	
Derivative financial instruments			<b>11,648</b>	
Deferred tax assets			<b>6,794</b>	
			<b>2,367,473</b>	

### Segment liabilities

There are no liabilities allocated to segments.

## 5 Gross revenue

Gross revenue includes the following items:

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Gross rental income	84,909	85,918	(1.2%)	167,489	173,980	(3.7%)
Service charge income	20,937	20,235	3.5%	42,330	39,329	7.6%
Other property related income <sup>(1)</sup>	789	1,995	(60.5%)	3,100	3,180	(2.5%)
<b>Total gross revenue</b>	<b>106,635</b>	108,148	(1.4%)	<b>212,919</b>	216,489	(1.6%)

(1) Other property related income comprises advertising billboards and signage, kiosks, early termination indemnity from tenants and other income attributable to the operation of the properties. FY2024 includes one-off reinstatement income of €1.2 million received in Via Brigata 19, Padova, Italy while 2H 2023 and FY2023 includes one-off dilapidation income of €1.3 million received in Maxima, Italy.

## 6 Property operating expense

Property operating expense comprises service charge expenses, non-recoverable expenses and allowance for doubtful debts.

Service charge expenses are generally offset and recoverable by service charge income, and include where applicable, insurance, provision of utilities, land tax, and maintenance and service of common equipment and common areas. Service charge expenses may exceed service charge income due to vacancies within the properties.

Non-recoverable expenses include property insurance, maintenance and repairs, marketing costs, property taxes, leasing costs and property management fees. Leasing costs include payments to third-party brokers and/or the property manager. Property management fees are payable to the property manager. Property management fees are based on 0.67% of deposited property pursuant to the Trust Deed.

Property operating expense includes the following items:

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Service charge expenses and non-recoverable expenses	32,519	32,116	(1.3%)	64,343	63,130	(1.9%)
Property management fees paid in cash	7,878	8,395	6.2%	15,821	17,169	7.9%
Allowance for doubtful debts	603	1,891	68.1%	1,610	1,909	15.7%
<b>Total property operating expense</b>	<b>41,000</b>	42,402	3.3%	<b>81,774</b>	82,208	0.5%

## 7 Other income

Other income mainly relates to incentives received from the government.

## 8 Manager's fees

Pursuant to the Trust Deed, the Manager is entitled to a base fee of 0.23% per annum of the deposited property and a performance fee of 25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year (calculated before accounting for the performance fee in each financial year and excluding any realised capital gains paid out in both financial years) multiplied by the weighted average number of units in issue for such financial year.

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Manager's base fees paid in cash <sup>(1)</sup>	2,704	2,882	6.2%	5,431	5,894	7.9%
Manager's performance fees <sup>(2)</sup>	-	-	-	-	-	-
<b>Total manager's fees</b>	<b>2,704</b>	<b>2,882</b>	<b>6.2%</b>	<b>5,431</b>	<b>5,894</b>	<b>7.9%</b>

<sup>(1)</sup> Includes some employee reimbursements which are netted off against total base fees.

<sup>(2)</sup> Performance fees are calculated annually and accrued for, if applicable, in the full year result of each financial year.

## 9 Gain/(loss) on divestments

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Gain/(loss) on divestment of investment properties	1,110	(2,321)	n.m.	599	(9,871)	n.m.
<b>Total gain/(loss) on divestments</b>	<b>1,110</b>	<b>(2,321)</b>	<b>n.m.</b>	<b>599</b>	<b>(9,871)</b>	<b>n.m.</b>

n.m. – not meaningful

In 2H 2024, gain on divestment of investment properties mainly from the divestment of Via Rampa Cavalcavia 16-18, Venice Mestre located in Italy. The property was divested on 19 December 2024 for a consideration of €5.9 million, €1.6 million or 36.6% above the latest valuation in June 2024.

In 2H 2023, loss on divestment of investment properties mostly comprises:

- (i) Loss on divestment of Viale Europa 95, Italy of €1.5 million which mostly relates to provision for earn-out payment and transaction costs incurred for the divestment; and
- (ii) Loss on divestment of Corso Lungomare Trieste 29, Italy of €0.8 million. The property was divested on 21 December 2023 for a consideration of €8.9 million, which was €0.7 million below the independent valuation in June 2023.

## 10 Gain on bond buyback

2H 2023 and FY 2023 gain on bond buyback of €3.1 million relates to the repurchase of an aggregate principal amount of €50.0 million of the €500.0 million 2.125% Euro medium term notes due 19 November 2025, net of transaction costs incurred.

## 11 Consolidated Earnings per Unit and distribution per Unit

	SERT			
	2H 2024	2H 2023	FY2024	FY2023
<b>Earnings per unit ("EPU")</b>				
Weighted average number of units ('000) <sup>(1)</sup>	<b>562,392</b>	562,392	<b>562,392</b>	562,392
Total return/(loss) for the period/year attributable to Unitholders (€'000)	<b>2,531</b>	(59,510)	<b>33,153</b>	(76,225)
EPU attributable to Unitholders (basic and diluted) (cents)	<b>0.450</b>	(10.582)	<b>5.895</b>	(13.554)

<sup>(1)</sup> The weighted average number of units was based on the weighted average number of units during the respective period including any units issuable to the Manager and Property Manager.

	SERT			
	2H 2024	2H 2023	FY2024	FY2023
<b>Distribution per unit ("DPU")</b>				
Applicable number of units for the period/year ('000) <sup>(2)</sup>	<b>562,392</b>	562,392	<b>562,392</b>	562,392
Income available for distribution to Unitholders (€'000)	<b>39,679</b>	44,445	<b>79,328</b>	88,254
DPU (cents) <sup>(2)</sup>	<b>7.056</b>	7.903	<b>14.106</b>	15.693

<sup>(2)</sup> DPU is calculated based on the total number of units in issue entitled to distributions as at record date of each distribution.

## 12 Distribution to Unitholders

SERT's aim is to provide investors with regular and stable distributions that are growing over time. SERT's distribution policy is to distribute at least 90% of its annual distributable income in each financial year but this will be re-affirmed at the Manager's discretion at the time of each distribution announcement. SERT will typically make distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December for the six-month period ending on each of these dates.

Distribution to Unitholders during the period/year:

Distribution period	Distribution type	Distribution per unit (in € cents)	SERT and Trust			
			2H 2024 €'000	2H 2023 €'000	FY2024 €'000	FY2023 €'000
1 Jan 2024 to 30 Jun 2024	Capital	7.050	<b>39,648</b>	-	<b>39,648</b>	-
1 Jul 2023 to 31 Dec 2023	Tax exempt & capital	7.903	-	-	<b>44,446</b>	-
1 Jan 2023 to 30 Jun 2023	Capital	7.790	-	43,811	-	43,811
1 Jul 2022 to 31 Dec 2022	Tax exempt	8.494	-	-	-	47,769
<b>Total distributions</b>			<b>39,648</b>	43,811	<b>84,094</b>	91,580

### 13 Income tax expense

SERT calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. Income tax expense includes the following:

	SERT					
	2H 2024 €'000	2H 2023 €'000	Fav./ (Unfav.) %	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
Current tax expense	3,623	1,550	(> 100%)	7,540	5,827	(29.4%)
Deferred tax expense	11,435	16,262	29.7%	12,686	9,695	(30.9%)
<b>Total income tax expense</b>	<b>15,058</b>	<b>17,812</b>	<b>15.5%</b>	<b>20,226</b>	<b>15,522</b>	<b>(30.3%)</b>

### 14 Assets held for sale

Assets held for sale are carried at their contracted selling prices. SERT's assets held for sale at year-end were as follows:

	Note	SERT	
		31-Dec-24 €'000	31-Dec-23 €'000
Via della Fortezza 8, Florence, Italy	(a)	15,000	-
Grójecka 5, Poland	(b)	-	15,500
Via Brigata Padova 19, Italy	(c)	-	1,800
		<b>15,000</b>	<b>17,300</b>

- (a) On 6 December 2024, SERT entered into a binding offer with an unrelated third party for the divestment of the Italian asset for a consideration of €15.0 million. The divestment completion is subject to Agenzia del Demanio and National Heritage pre-emption rights which expire in March 2025.
- (b) The asset was divested on 28 March 2024 for a consideration of €15.9 million.
- (c) The asset was divested on 4 April 2024 for a consideration of €1.8 million.

## 15 Investment properties

### 15(a) Reconciliation of carrying amount of investment properties

	31-Dec-24		
	Independent valuation €'000	Right-Of-Use asset €'000	Carrying amount €'000
The Netherlands	604,284	4,236	<b>608,520</b>
France	452,590	-	<b>452,590</b>
Italy <sup>(1)</sup>	389,075	-	<b>389,075</b>
Germany	212,931	-	<b>212,931</b>
Poland	155,860	1,649	<b>157,509</b>
Denmark	140,778	-	<b>140,778</b>
Czech Republic	76,370	-	<b>76,370</b>
Slovakia	71,410	-	<b>71,410</b>
United Kingdom	68,568	-	<b>68,568</b>
Finland	54,081	-	<b>54,081</b>
<b>Total</b>	<b>2,225,947</b>	<b>5,885</b>	<b>2,231,832</b>

- (1) The carrying amount of investment properties includes the following properties being redeveloped as at 31 December 2024: (i) Maxima, Italy valued at €25.2 million, and (ii) Via dell'Industria 18, Italy valued at €39.7 million. The total contracted value of these redevelopments for the purpose of the 10% development limit under Section 7.1(d) of the Property Funds Appendix is €17.4 million or 0.7% of deposited property. The redevelopment of Nervesa21 was completed during the year.

	31-Dec-23		
	Independent valuation €'000	Right-Of-Use asset €'000	Carrying amount €'000
The Netherlands	616,600	5,192	<b>621,792</b>
France	443,995	-	<b>443,995</b>
Italy <sup>(2)</sup>	395,330	-	<b>395,330</b>
Germany	204,580	-	<b>204,580</b>
Poland	166,250	1,564	<b>167,814</b>
Denmark	128,304	-	<b>128,304</b>
Czech Republic	77,410	-	<b>77,410</b>
Slovakia	70,840	-	<b>70,840</b>
United Kingdom	60,905	-	<b>60,905</b>
Finland	70,600	-	<b>70,600</b>
<b>Total</b>	<b>2,234,814</b>	<b>6,756</b>	<b>2,241,570</b>

- (2) The carrying amount of investment properties includes the following properties being redeveloped as at 31 December 2023: (i) Nervesa21, Italy valued at €47.3 million, (ii) Maxima, Italy valued at €29.9 million and (iii) Via dell'Industria 18, Italy valued at €35.4 million. The total contracted value of these developments for the purpose of the 10% development limit under Section 7.1(d) of the Property Funds Appendix is €49.5 million or 2.1% of deposited property.

## 15(b) Movement in investment properties

	SERT	
	31-Dec-24 €'000	31-Dec-23 €'000
<b>At 1 January</b>	<b>2,241,570</b>	2,509,407
Reclass to assets held for sale (Note 14)	<b>(15,000)</b>	(17,300)
Divestment of existing properties	<b>(13,212)</b>	(203,456)
Capital expenditure and capitalised interest <sup>(1)</sup>	<b>43,579</b>	80,635
Lease incentives, lease costs and rent straight-lining	<b>2,410</b>	3,547
Net loss from fair value adjustments	<b>(27,677)</b>	(133,570)
Exchange differences	<b>2,854</b>	1,049
Others	<b>(2,692)</b>	1,258
<b>At 31 December</b>	<b>2,231,832</b>	2,241,570

<sup>(1)</sup> Includes capitalised interest expense of €343,000 (2023: €1,088,000)

## Investment properties divestments

During 2H 2024, SERT divested the following investment properties:

- (i) On 30 September 2024, SERT completed the divestment of an office asset in France for a consideration of €3.1 million, which was 0.3% below the independent valuation dated 30 June 2024; and
- (ii) On 19 December 2024, SERT completed the divestment of an office asset in Italy for consideration of €5.9 million, which was 36.6% above the independent valuation dated 30 June 2024.

## 15 (c) Valuation

At 31 December 2024, SERT's entire portfolio of 104 investment properties was valued by independent valuers with a combined value of €2,225,947,000. The independent valuation for properties located in the Netherlands, Italy, Germany, United Kingdom and Finland were conducted by Jones Lang LaSalle BV using the discounted cash flow method. Savills Advisory Services Limited ("Savills") performed independent valuations for properties located in France, Poland, Denmark, Czech Republic and Slovakia using the discounted cash flow method.

At 31 December 2023, SERT's entire portfolio of 108 investment properties was valued by independent valuers with a combined value of €2,234,814,000. The independent valuation for properties located in France, Poland, Denmark, Czech Republic and Slovakia were conducted by CBRE Ltd using the income capitalisation method. Savills performed independent valuations for properties located in the Netherlands, Italy, Germany and Finland using the discounted cash flow method and in United Kingdom using the income capitalisation method.

### Significant unobservable inputs

The following table shows the valuation techniques used in arriving at the fair values of the investment properties, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	31-Dec-24		31-Dec-23	
		Range	Weighted average	Range	Weighted average
<i>Discounted cash flow</i> This valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate and occupancy rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.	Net initial yield	-7.6% to 13.7%	6.1%	-2.3% to 17.5%	5.9%
	Net reversionary yield	5.2% to 20.8%	7.9%	4.7% to 27.2%	7.3%
	Discount rate	6.1% to 15.0%	8.4%	5.5% to 11.8%	7.3%
	Exit cap rate	4.8% to 10.5%	6.6%	4.5% to 9.8%	6.2%
	Occupancy (%)	0% to 100%	88.8%	0% to 100%	89.6%
<i>Income capitalisation</i> This method involves assessing the total net market income receivable from the property and capitalising this perpetually, using an appropriate, market derived capitalisation rate, to derive a capital value, with allowances for capital expenditure reversions such as lease incentives and required capital works payable in the near future and overs / unders when comparing market rent with passing rent.	Net initial yield	-	-	2.9% to 11.6%	6.9%
	Net reversionary yield	-	-	5.0% to 18.6%	7.9%
	Occupancy (%)	-	-	35.3% to 100%	90.8%

All the significant inputs noted above are not observable market data, hence investment property valuations are considered level 3 fair value measurements (refer fair value hierarchy described in note 20).



### Sensitivity information

The relationships between the significant unobservable inputs and the fair value of investment properties are as follows:

<b>Inputs</b>	<b>Impact of increase in input on fair value</b>	<b>Impact of decrease in input on fair value</b>
Net initial yield	Decrease	Increase
Reversionary yield	Decrease	Increase
Discount rate	Decrease	Increase
Exit cap rate	Decrease	Increase

### 15(d) Assets pledged as security

As at 31 December 2024, a total of three (31 December 2023: three) of SERT's investment properties with a combined fair value of €202,490,000 (31 December 2023: €210,400,000) were pledged as security for SERT's property level financing facility (see note 16(a)).

### 16 Borrowings

<b>SERT</b>	<b>31-Dec-24 €'000</b>	<b>31-Dec-23 €'000</b>
<i>Current</i>		
Unsecured Euro medium term notes	<b>450,000</b>	-
<b>Total current borrowings</b>	<b>450,000</b>	-
<i>Non-current</i>		
Secured loans – financial institutions	<b>82,375</b>	82,375
Unsecured loans – financial institutions	<b>424,430</b>	421,630
Unsecured Euro medium term notes	-	450,000
Unamortised debt issuance costs	<b>(8,124)</b>	(6,405)
<b>Total non-current borrowings</b>	<b>498,681</b>	947,600
<b>Total borrowings</b>	<b>948,681</b>	947,600

During 2H 2024, the following activities were carried out by SERT:

- (i) In November 2024, SERT through its wholly owned subsidiary, Stoneweg EREIT Lux Finco S.à r.l. ("Lux Finco"), entered into a new debt facility agreement for an aggregate amount of €340.0 million. The facility, along with the existing committed largely undrawn revolving credit facility ("RCF") provides ample liquidity and flexibility to repay the outstanding €450 million Euro medium term note due in November 2025. The facility was fully undrawn as at 31 December 2024;
- (ii) In December 2024, in order to facilitate the closing of the sale of Cromwell's stake in SERT and its European fund management platform (including the Manager and property manager of SERT) and to enable the potential redevelopment the secured assets, including De Ruyterkade 5 in Amsterdam, SERT refinanced the €82.4 million Dutch Office 2 PGIM facility ahead of the December 2026 maturity date. On 4 December 2024, SERT, through its wholly owned subsidiaries, Yova Central Plaza B.V., Yova Koningskade B.V. and Yova Ruyterkade B.V., entered into a new 5-year and 1-month secured debt facility agreement for an aggregate amount of €82.4 million with ABN Amro. The original PGIM facility was duly repaid using net proceeds from the new secured debt facility. The SERT Manager successfully negotiated for SERT to receive a lump sum of €4.0 million from the outgoing sponsor, Cromwell Property Group, also in December 2024. This may be used to offset higher interest costs for the new loan compared to the lower rate of the legacy PGIM loan, or other working capital.

## 16(a) Borrowing details

Facility	Note	Secured	Maturity	31-Dec-24		31-Dec-23	
				Facility €'000	Utilised €'000	Facility €'000	Utilised €'000
<b>SERT</b>							
Dutch office 2	(i)	Yes	Dec-26	-	-	82,375	82,375
Dutch office 3	(i)	Yes	Jan-30	<b>82,375</b>	<b>82,375</b>	-	-
3.5-year sustainability-linked term loan	(ii)	No	Oct-26	<b>70,630</b>	<b>70,630</b>	70,630	70,630
Revolving credit facility	(iii)	No	Jul-28	<b>200,000</b>	<b>2,800</b>	200,000	-
Euro medium term notes	(iv)	No	Nov-25	<b>450,000</b>	<b>450,000</b>	450,000	450,000
4-year sustainability-linked term loan	(v)	No	Nov-26	<b>193,500</b>	<b>193,500</b>	193,500	193,500
4-year sustainability-linked term loan	(vi)	No	Aug-27	<b>157,500</b>	<b>157,500</b>	157,500	157,500
Bridge to bond facility	(vii)	No	Nov-26	<b>340,000</b>	-	-	-
<b>Total</b>				<b>1,494,005</b>	<b>956,805</b>	<b>1,154,005</b>	<b>954,005</b>

### Property level financing facility

Property level financing facility is secured by first-ranking mortgages over the relevant properties as well as pledges over the receivables of the property holding SPVs, pledges over the entire share capital of the property holding SPVs, pledges over the receivables of any lease agreements and insurance proceeds pertaining to the relevant properties, a first priority account pledge over all bank accounts of the property-holding SPVs and a pledge over all hedging receivables in relation to the relevant property level financing facility.

#### (i) Dutch office 2 / Dutch office 3

As referred to in note 16 (ii) on page 33, the original PGIM Dutch office 2 facility was duly repaid from the new Dutch office 3 with ABN Amro in December 2024.

Both facilities are secured over the same three Dutch office properties with an aggregate carrying amount of €202,490,000 as at 31 December 2024 (2023: 210,400,000).

The Dutch office 3 facility is subject to 3-month Euribor plus a margin. The 3-month Euribor is fully hedged by interest rate swaps to fixed interest rate at 2.19%.

Interest for the Dutch Office 2 PGIM facility was payable at a fixed rate of 1.93% p.a..

### Unsecured financing facilities

#### (ii) 3.5-year sustainability-linked term loan

The facility is subject to 3-month Euribor plus a margin. The facility has three sustainability-linked key performance indicators ("KPIs") that are set and measured on an annual basis over the term of the facility and includes an accordion feature providing flexibility to increase the size of the facility to up to €110.0 million.

#### (iii) Revolving Credit Facility ("RCF")

A €200 million RCF was established to provide SERT with additional financing flexibility and working capital. The facility is subject to 3-month Euribor plus a margin. The facility has three sustainability-linked KPIs that are set and measured on an annual basis over the term of the facility. The RCF has an extended maturity date of 31 July 2028 and includes an accordion feature which provides flexibility to increase the size of the facility to up to €250.0 million.

As at 31 December 2024, the RCF was partially drawn at €2.8 million, leaving an undrawn commitment of €197.2 million (2023: fully undrawn).

(iv) Euro medium term notes (“EMTN”)

On 19 October 2020, a subsidiary of SERT, Lux Finco established a €1.5 billion Euro Medium Term Note Programme (“EMTN Programme”). Under the EMTN Programme, Lux Finco may, from time to time, issue rated notes denominated in any currency agreed between Lux Finco and the relevant dealer with aggregate principal amounts up to €1.5 billion (or its equivalent in other currencies) outstanding at any time.

As at 31 December 2024, SERT had €450.0 million (2023: €450.0 million) of outstanding senior unsecured fixed rate notes issued under the programme at a coupon of 2.125% p.a. and reoffer yield ranging from 1.60% p.a. to 2.161% p.a., payable annually in arrear.

(v) 4-year sustainability-linked term loan

The facility is subject to Euro short-term rate (€STR) plus a margin. The facility has three sustainability-linked KPIs that are set and measured on an annual basis over the term of the facility and includes an accordion feature which provides flexibility to increase the size of the facility to up to €230.0 million.

(vi) 4-year sustainability-linked term loan

The facility is subject to 3-month Euribor plus a margin. The facility has an initial termination date in August 2025 with the option to extend the termination date in year 3 and 4 at the borrower’s request. The facility has three sustainability-linked KPIs that are set and measured on an annual basis over the term of the facility and includes an accordion feature which provides flexibility to increase the size of the facility to up to €207.5 million.

(vii) Bridge to bond facility

As referred to in note 16 (i) on page 33, the facility was put in place in November 2024. The facility is subject to 3-month Euribor plus a margin and has a term of one year with a one-year borrower’s only extension option (by Lux Finco), and a further one-year extension option subject to lender only approval.

**All-in interest rate**

As at 31 December 2024, SERT’s weighted average all-in interest rate is 3.05% p.a. (2023: 3.19% p.a.), including interest rate collars and swaps but excluding commitment fee on the undrawn RCF.

**Guarantees**

The Trust has provided corporate guarantees to banks for unsecured borrowings amounting to €871,630,000 (2023: €871,630,000) undertaken by Lux Finco. The Trust does not consider it probable that a claim will be made under these guarantees.

**16(b) Net finance costs**

Net finance costs include the following:

	SERT					
	2H 2024	2H 2023	Fav./ (Unfav.)	FY2024	FY2023	Fav./ (Unfav.)
	€'000	€'000	%	€'000	€'000	%
Interest expense	19,201	18,699	(2.7%)	38,241	35,049	(9.1%)
Amortisation of debt issuance costs	1,659	2,841	41.6%	3,019	4,462	32.3%
Interest income	(2,305)	(4,876)	(52.7%)	(5,264)	(7,131)	(26.2%)
<b>Net finance costs</b>	<b>18,555</b>	<b>16,664</b>	<b>(11.3%)</b>	<b>35,996</b>	<b>32,380</b>	<b>(11.2%)</b>

Interest income mostly relates to proceeds from interest rate cap contracts and interest income on bank deposits.

## 17 Derivative financial instruments

SERT and the Trust's derivative financial instruments consist of interest rate swaps and collar contracts which are used to cap interest on floating rate borrowings and cross currency swaps which are used to hedge the currency risk arising from the Singapore dollar denominated perpetual securities.

SERT's derivative financial instruments as at period-end were as follows:

	SERT		Trust	
	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 €'000	31-Dec-23 €'000
<b>Current asset</b>				
Interest rate cap contract	-	5,879	-	-
	-	5,879	-	-
<b>Non-current assets</b>				
Interest rate collar contracts	2,076	-	-	-
Cross currency swaps	7,050	5,769	7,050	5,769
	9,126	5,769	7,050	5,769
<b>Non-current liability</b>				
Interest rate collar contracts	481	279	481	198
	481	279	481	198

In December 2024, SERT, through its wholly owned subsidiaries entered into three interest rate swap contracts with an aggregate notional contract amount of €82.4 million to fully hedge its exposure to interest rate volatility arising from the new secured floating rate debt facility. The interest rate swaps have a strike rate of 2.19% and mature in January 2030.

As at 31 December 2024, 88.0% (2023: 88%) of SERT's total gross borrowings (including the drawn RCF) are fixed rate or hedged using interest rate cap or swaps contracts. The weighted average strike rate on interest rate caps and swaps is 2.20% (2023: 1.60%) and on interest rate floor is 1.60% (2023: 2.25%).

The notional principal amounts SERT's derivative financial instruments were as follows:

	SERT		Trust	
	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 €'000	31-Dec-23 €'000
Interest rate cap contract	-	210,000	-	-
Interest rate collar contracts	310,000	150,000	100,000	100,000
Interest rate swaps	82,375	-	-	-
Cross currency swaps	65,136	65,136	65,136	65,136
	457,511	425,136	165,136	165,136

The notional principal amounts and period of expiry of SERT's derivative financial instruments were as follows:

	SERT		Trust	
	31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 €'000	31-Dec-23 €'000
Within one year	-	210,000	-	-
After one year but within two years	375,136	-	165,136	-
After two years but within five years	82,375	215,136	-	165,136
	457,511	425,136	165,136	165,136

## 18 Contributed equity

	SERT		Trust	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Total contributed equity (€'000)	1,349,551	1,349,551	1,349,888	1,349,888
Units in issue ('000)	562,392	562,392	562,392	562,392

SERT did not hold any treasury units as at 31 December 2024 and 31 December 2023.

The Trust's subsidiaries do not hold any units in the Trust as at 31 December 2024 and 31 December 2023.

Distribution Reinvestment Plan was suspended for distributions for the period from 1 January 2023 to 30 June 2023, 1 July 2023 to 31 December 2023, 1 January 2024 to 30 June 2024 and 1 July 2024 to 31 December 2024.

### 18(a) Movements in contributed equity

There were no movements in the contributed equity of SERT and the Trust during the years ended 31 December 2024 and 31 December 2023.

### 18(b) Units issuable

	SERT and Trust	
	31-Dec-24 '000	31-Dec-23 '000
Units issuable	-	-
Units in issue	562,392	562,392
<b>Total units issued and issuable</b>	<b>562,392</b>	<b>562,392</b>

## 19 Perpetual securities

On 24 November 2021, the Trust issued S\$100.0 million fixed rate subordinated perpetual securities at a distribution rate of 5.00% per annum. The first distribution rate reset falls on 24 November 2026 with subsequent reset falling every five years after the first reset date. The reset rate will be determined based on the prevailing 5-year SORA-OIS at the point of reset plus the initial spread. At the same time, two 5-year cross currency swaps ("CCS") were entered into to convert the Singapore dollar proceeds into Euro and the Singapore dollar coupon into a fixed rate of 3.55% in Euro. The CCS have a total notional amount of S\$100.0 million with a Euro equivalent of €65,136,000. There are certain green ESG initiatives that could see the Euro coupon reduce slightly on a notional amount of S\$50.0 million of the CCS if certain targets are met.

The perpetual securities have no fixed redemption date and redemption is at the option of the Trust. Distributions under the perpetual securities is payable semi-annually at the discretion of the Trust. Any distribution unpaid will be non-cumulative.

The perpetual securities will constitute direct, unconditional, unsecured and subordinated obligations of the Trust and shall at all time rank pari passu and without any preference or priority among themselves and with any Parity Obligations, from time to time outstanding.

The perpetual securities are classified as equity instruments and recorded as equity in the balance sheets. The €64,204,000 (2023: €64,204,000) presented on the balance sheets represents the carrying value of the €65,136,000 perpetual securities issued, net of issue costs and includes total return attributable to perpetual securities holders from date of issue, net of distributions paid to perpetual securities holders.

## 20 Fair value measurement of financial instruments

SERT uses a number of methods to determine the fair value of its financial instruments as described in IFRS 13 *Fair Value Measurement*. The methods comprise the following:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below presents SERT's financial assets and liabilities measured and carried at fair value at the reporting date:

		SERT			
	Note	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
<b>31-Dec-24</b>					
<b>Financial assets at fair value</b>					
Derivative financial instruments	17	-	9,126	-	9,126
<b>Financial liabilities at fair value</b>					
Derivative financial instruments	17	-	481	-	481
<b>31-Dec-23</b>					
<b>Financial assets at fair value</b>					
Derivative financial instruments	17	-	11,648	-	11,648
<b>Financial liabilities at fair value</b>					
Derivative financial instruments	17	-	279	-	279

		Trust			
	Note	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
<b>31-Dec-24</b>					
<b>Financial assets at fair value</b>					
Derivative financial instruments	170	-	7,050	-	7,050
<b>Financial liabilities at fair value</b>					
Derivative financial instruments	17	-	481	-	481
<b>31-Dec-23</b>					
<b>Financial assets at fair value</b>					
Derivative financial instruments	17	-	5,769	-	5,769
<b>Financial liabilities at fair value</b>					
Derivative financial instruments	17	-	198	-	198

There were no transfers between the levels of the fair value hierarchy during the years.



#### *Disclosed fair values*

The fair values of derivative financial instruments (Level 2) are disclosed in the balance sheets.

The carrying amounts of cash and cash equivalents, receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of non-current variable interest-bearing borrowings approximate their fair values as they are floating rate instruments that are re-priced to market interest rate on or near the reporting date.

The fair value of finance lease liabilities is calculated based on the present value of future cash outflows, discounted at SERT's incremental borrowing rates at the reporting date.

#### *Valuation techniques used to derive Level 2 fair values*

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 2 financial assets and financial liabilities held by SERT include cross currency swaps contracts and interest rate swap and collar contracts (over-the-counter derivatives). The fair value of these derivatives has been determined using a pricing model based on discounted cash flow analysis which incorporates assumptions supported by observable market data at the reporting date including market expectations of future interest rates and discount rates adjusted for any specific features of the derivatives and counterparty or own credit risk.

#### *Liabilities not measured at fair value for which fair value is disclosed*

The following table shows an analysis of SERT's liabilities not measured at fair value for which fair value is disclosed:

	<b>Fair value determined using quoted bid prices in active market (Level 1) €'000</b>	<b>Fair value determined using significant unobservable inputs (Level 3) €'000</b>	<b>Carrying amount €'000</b>
<b>31 December 2024</b>			
<b>Liabilities</b>			
Unsecured Euro medium term notes	443,390	-	<b>450,717</b>
<b>31 December 2023</b>			
<b>Liabilities</b>			
Secured loan	-	80,134	<b>82,375</b>
Unsecured Euro medium term notes	422,316	-	<b>451,529</b>

*Classification of financial instruments*

	Type of financial instruments	SERT		Trust	
		31-Dec-24 €'000	31-Dec-23 €'000	31-Dec-24 €'000	31-Dec-23 €'000
<b>Financial assets</b>					
Cash and cash equivalents	(i)	<b>38,536</b>	73,795	<b>2,558</b>	3,309
Receivables	(i)	<b>15,995</b>	8,339	<b>70,290</b>	79,815
Derivative financial instruments	(ii)	<b>9,126</b>	11,648	<b>7,050</b>	5,769
<b>Total financial assets</b>		<b>63,657</b>	93,782	<b>79,898</b>	88,893
<b>Financial liabilities</b>					
Payables	(i)	<b>37,817</b>	42,073	<b>364,802</b>	287,387
Borrowings	(i)	<b>956,805</b>	954,005	-	-
Other liabilities - finance lease liabilities	(i)	<b>6,735</b>	7,579	-	-
Derivative financial instruments	(ii)	<b>481</b>	279	<b>481</b>	198
<b>Total financial liabilities</b>		<b>1,001,838</b>	1,003,936	<b>365,283</b>	287,585

Type of financial instrument as per IFRS 7 *Financial Instruments: Disclosure*

- (i) At amortised cost
- (ii) At fair value through profit or loss

**21 Net Asset Value ("NAV")**

	SERT		Trust	
	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
NAV <sup>(1)</sup> at the end of the year attributable to Unitholders (€'000)	<b>1,140,818</b>	1,190,937	<b>862,265</b>	952,219
Number of Units on issue at the end of the year ('000)	<b>562,392</b>	562,392	<b>562,392</b>	562,392
NAV attributable to Unitholders per unit (€)	<b>2.03</b>	2.12	<b>1.53</b>	1.69
Adjusted NAV attributable to Unitholders per unit (excluding distributable income) (€)	<b>1.96</b>	2.04	<b>1.46</b>	1.61

<sup>(1)</sup> NAV equals net tangible assets ("NTA") as there are no intangible assets carried by SERT.

**22 Interested person transactions**

SERT has not obtained a general mandate from Unitholders for interested person transactions.

Related parties are persons or entities that are related to SERT as defined by IAS 24 *Related Party Disclosures*. These include directors and their close family members and any entities they control, Trustee, the Manager, as well as subsidiaries, associates and joint ventures of the Manager's parent entity, Cromwell Corporation Limited ("CCL") and any entities which are considered to have significant influence over CCL.

From 24 December 2024, following the completion of the sale of CCL's stakes in SERT and its European fund management platform (including the Manager and property manager of SERT), CCL and its subsidiaries, associates, joint ventures and any entities which were considered to have significant influence over CCL are no longer considered as related parties of SERT. The new controlling shareholder of the Manager, Stoneweg Management SA ("SMSA") and controlling unitholder of SERT, Stoneweg Global Platform SCSp ("SGPS") and their subsidiaries, associates, joint ventures and any entities which are considered to have significant influence over SMSA and SGPS are now considered as related parties of SERT.

Related parties include all entities that are defined as Interested Persons under the SGX-ST Listing Manual or Interested Parties under the Code of CIS.



The transactions with interested parties are on normal commercial terms and conditions and at market rates. Transactions entered into with interested persons/parties during the year are as follows:

	SERT	
	FY2024 €'000	FY2023 €'000
Trustee fees paid and payable to the Trustee	270	291
Base management fees paid and payable to the Manager	5,431	5,894
Property & portfolio management fees paid and payable to the Property Manager	15,821	17,169
Divestment fee paid and payable to the Property Manager	160	983
Project management fees paid and payable to the Property Manager	1,943	2,893
Leasing fees paid and payable to the Property Manager	3,472	3,028
Development fees paid and payable to Property Manager	67	655

### 23 Unrecognised item

#### *Capital and development expenditure commitments*

Commitments in relation to capital and development expenditure contracted for at reporting date but not recognised as a liability are as follows:

	SERT	
	31-Dec-24 €'000	31-Dec-23 €'000
Investment properties	16,882	18,279

### 24 Subsequent events

- (i) On 30 January 2025, Lux Finco issued €500 million Green Notes comprised in Series 002 ("Series 002 Notes") at a coupon of 4.25% p.a. and a reoffer yield of 4.343% p.a., payable annually in arrear, with a tenor of 6 years. The Series 002 Notes are issued under the €1.5 billion Euro Medium Term Note Programme established in October 2020, last updated on 16 January 2025. The Series 002 Notes are labelled "Green" according to the International Capital Markets Association 2021 Green Bond Principles. Net proceeds arising from the issuance of the Notes (after deducting costs of issuance) were used to redeem the outstanding SERT notes due in November 2025 and for general corporate purposes. SERT intends to finance or refinance eligible green assets from some of the net proceeds of the Green Bond.
- (ii) On 11 February 2025, SERT, through Lux Finco cancelled the €340.0 million bridge to bond facility following the issuance of the €500.0 million Series 002 Notes.
- (iii) On 14 February 2025, SERT, through Lux Finco redeemed at par the outstanding €450.0 million Series 001 senior unsecured fixed rate notes due in November 2025 and the notes were cancelled.
- (iv) On 26 February 2025, the Manager announced a distribution of 7.056 Euro cpu for the period from 1 July 2024 to 31 December 2024 comprising 5.288 Euro cpu of tax-exempt income component and 1.768 Euro cpu of capital component (2023: 7.903 Euro cpu for the period from 1 July 2023 to 31 December 2023 comprising 6.555 Euro cpu of tax-exempt income component and 1.348 Euro cpu of capital component).



25 Financial ratios

	FY 2024 %	FY 2023 %
<b>Ratio of expenses to weighted average net assets<sup>(1)</sup></b>		
Including performance component of the Manager's management fees	<b>0.94</b>	0.87
Excluding performance component of the Manager's management fees	<b>0.94</b>	0.87
<b>Portfolio turnover rate<sup>(2)</sup></b>	-	-

(1) The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore ("IMAS"). The expenses used in the computation relate to expenses of SERT, excluding property expenses, finance expenses, net foreign exchange differences and income tax expense. SERT did not pay any performance fee in the period from 1 January 2023 to 31 December 2024.

(2) The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of SERT expressed as percentage of average net asset value in accordance with the formulae stated in the Code on Collective Investment Schemes.

## OTHER INFORMATION

### 1. Review

*Whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed.*

The condensed interim financial statements of Stoneweg European Real Estate Investment Trust and its subsidiaries ("SERT") which comprise the Consolidated Balance Sheet and Statement of Portfolio of SERT and Balance Sheet of the Trust as at 31 December 2024 and the related Consolidated Statement of Total Return and Statement of Comprehensive Income, Consolidated Statement of Movements in Unitholders' Funds, Distribution Statement and Consolidated Statement of Cash Flows for the six-month period and full year ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of performance of SERT

#### **Review of performance 2H 2024 vs 2H 2023**

##### (a) Review of portfolio performance 2H 2024 vs 2H 2023

SERT's gross revenue in 2H 2024 decreased by 1.4% or €1.5 million to €106.6 million. Property operating expenses decreased by 3.3% or €1.4 million to €41.0 million. Net property income ("NPI") of €65.6 million was largely in line with prior corresponding period ("pcp").

On a like-for-like basis, 2H 2024 NPI was €1.7 million or 2.7% higher than pcp, excluding divestments completed in 2H 2023 and FY 2024, and Nervesa21, Maxima and Via dell'Industria 18 due to redevelopment.

Please refer to Note 4.1 on page 22 of the Condensed Interim Financial Statements for portfolio performance by segment.

##### Logistics/ Light industrial

The logistics/light industrial portfolio is made up of 17 properties in France, 14 properties in Germany, 12 properties in Denmark, 7 properties in the Czech Republic, 5 properties in Slovakia, 7 properties in the Netherlands, 5 properties in Italy, and 3 properties in the United Kingdom.

2H 2024 gross revenue for these assets was €50.8 million, €0.7 million or 1.3% higher than pcp whilst NPI was €33.0 million, €0.6 million or 1.9% higher than pcp. On a like-for-like basis, NPI was €0.4 million or 1.4% higher than pcp, excluding Via dell'Industria 18 in Italy due to redevelopment. The redevelopment of Via dell'Industria 18 to reposition the property into a multi-tenanted asset contributed to €0.2 million higher NPI.

French portfolio NPI increased by €0.7 million or 6.8%, largely due to greater rental income across the portfolio due to annual inflation indexation growth, higher occupancy in Parc des Grésillons which experienced some vacancy in the pcp and lower provisions for bad debts in the portfolio.

The Slovakian portfolio NPI increased by €0.4 million or 18.6% mainly contributed by Nove Mesto ONE Industrial Park III and Nove Mesto ONE Industrial Park I due to new leases signed in the developments completed in FY 2023, partly offset by an increase in portfolio management fees from the increased property values.

In The Netherlands, NPI increased by €0.2 million or 10.0% due to higher occupancy in Capronilaan 22 – 56 and Kapoeasweg 4 – 16 during 2H 2024.

On like-for-like basis, the Italian portfolio NPI was largely in line with the pcp.

Germany NPI decreased by €0.6 million or 9.1% mostly due to service charge reconciliation in An der Wasserschluff 7 and lower occupancy in Frauenstraße 31, partially offset by higher rental income across the portfolio.

The United Kingdom NPI decreased by €0.2 million or 8.0% due to a lease regear where a reduction of rent at Thorn Lighting was given as part of a lease extension to derisk the asset.

The Danish portfolio NPI was €0.1 million or 3.4% lower than pcp due to lower occupancy in Priorparken 800, Naverland 7-11 and Sognevej 25, partially offset by higher rental income across the portfolio.

Czech Republic NPI was largely in line with pcp. Lower rental income due to a lease expiry in Lovosice ONE Industrial Park II was largely offset by higher rental income in Lovosice ONE Industrial Park I from new leases signed following the refurbishment of the existing building and letting up of the vacant space.

#### Office

The office portfolio comprises of 7 properties in The Netherlands, 9 properties in Italy, 2 properties in France, 9 properties in Finland and 5 properties in Poland.

2H 2024 gross revenue for the office portfolio was €53.4 million, €0.5 million or 1.0% higher than the pcp whilst NPI was €31.0 million, €0.4 million or 1.3% higher than pcp.

During FY 2023, 2 properties were divested, one in 1H 2023 (Piazza Affari 2) and another in 2H 2023 (Corso Lungomare Trieste 29), both in Italy. These divestments resulted in €0.2 million lower NPI in 2H 2024 compared to pcp. During FY 2024, a further 4 properties were divested, 2 properties in 1H 2024 (Grójecka 5 in Poland and Grandinkulma in Finland) and another 2 properties in 2H 2024 (Lénine in France and Via Rampa Cavalcavia 16-18 in Italy) which further reduced NPI by €0.4 million.

Due to the redevelopment project in Maxima, Italy, NPI was €1.2 million lower as dilapidation income was received in 2H 2023. The redevelopment project in Nervesa21, Italy was successfully completed during FY 2024 and fully leased which contributed to €0.9 million higher NPI.

On a like-for-like basis, 2H 2024 NPI was €1.2 million or 4.1% higher than pcp, excluding divestments completed in FY 2023 and FY 2024 and Nervesa21 and Maxima due to redevelopments. This was mainly due to the Netherlands portfolio (€0.9 million or 5.8% higher) which was driven by higher occupancy in the portfolio and positive inflation indexation impact. This was particularly notable in Central Plaza, Haagse Poort and Bastion.

On a like-for-like basis, Italian NPI increased by €0.6 million or 16.2% mainly due to lower provision for bad debts.

On a like-for-like basis, French NPI was €0.2 million or 17.2% lower mainly due to service charge leakage in Paryseine.

Poland NPI was €0.1 million or 1.3% lower on a like-for-like basis, mainly attributed to Business Garden due to 2H 2023 included a credit from the release of a provision for bad debts and lower occupancy. This was mitigated by higher NPI in Riverside Park (Warsaw) due to several lease renewals and expansions as well as higher rental income in Avatar (Krakow) from inflation indexation.

On a like-for-like basis, Finland NPI was broadly in line with pcp.

#### Other

Other property portfolio consist of 1 government-let campus, 1 retail asset and 1 hotel, all located in Italy.

2H 2024 gross revenue was €2.4 million, €2.7 million or 52.4% lower than the pcp whilst NPI was €1.7 million, €1.1 million or 40.3% lower than pcp.

The 2H 2024 underperformance is mainly due to the divestment of Viale Europa 95 in Italy during 2H 2023 which reduced NPI by €1.1 million, and the divestment of Via Brigata 19 (Italy) during 1H 2024 which reduced NPI by €0.1 million.

On a like-for-like basis, 2H 2024 NPI was €0.1 million or 3.4% higher than pcp, excluding divestments completed in 2H 2023 and FY 2024. This was mainly due to a higher turnover rent in Starhotels Grand Milan and lower bad debts in Via Salara Vecchia 13, largely offset by lower NPI in Via Madre Teresa 4 due to a tenant vacating during 1H 2024 which reduced occupancy (the space was occupied in December 2024).

- (b) Net finance costs of €18.6 million was 11.3% higher than pcp mainly attributed to: (i) higher all-in interest rate mainly due to higher margins on the new loans refinanced in 2H 2023 and higher weighted average strike rate on interest rate collars, and (ii) lower interest income on bank deposits, partially offset by lower loan amount for the period due to bond buyback for an aggregate principal amount of €50.0 million in November 2023 and December 2023.
- (c) Manager's fees were €0.2 million or 6.2% lower in 2H 2024 due to lower deposited property due to the divestments.
- (d) Other trust expenses were 5.3% or €0.2 million higher than pcp mainly due to higher one-off consultancy fees incurred.
- (e) 2H 2024 net foreign exchange gain of €0.8 million mostly arose from the revaluation of EUR denominated intercompany loans by a subsidiary of SERT due to the appreciation of GBP against EUR.  
2H 2023 net foreign exchange loss of €0.7 million mostly arose from the revaluation of EUR denominated intercompany loans by a subsidiary of SERT due to the depreciation of GBP against EUR, and exchange loss incurred in Poland and Denmark.
- (f) 2H 2024 gain on divestments of €1.1 million mainly relates to the divestment of an office asset located in Italy for a consideration of €5.9 million, 36.6% above the independent valuation on 30 June 2024.  
2H 2023 loss on divestments of €2.3 million mainly relates to the divestment of an "other" asset and an office in Italy. Refer to Note 9 on page 27 for more details.
- (g) 2H 2023 gain on bond buyback of €3.1 million relates to the repurchase and cancellation of an aggregate principal amount of €50.0 million of the €500.0 million 2.125% Euro medium term notes due 19 November 2025.
- (h) SERT recorded fair value loss on investment properties of €20.0 million in 2H 2024 as compared to €76.0 million in 2H 2023.
- (i) Fair value loss on derivative instruments in 2H 2024 of €4.4 million was attributable to decrease in fair value of interest rate collar contracts, in line with the decrease in Euribor swap rates. The loss was partially offset by gain from increase in fair values of the cross-currency swaps.  
Fair value loss on derivative instruments in 2H 2023 of €7.8 million was attributable to decrease in fair value of interest rate cap and interest rate collar contracts, in line with the decrease in Euribor swap rates.
- (j) Income tax expense of €15.1 million for 2H 2024 comprises current tax expense of €3.6 million and deferred tax expense of €11.5 million. Income tax expense of €17.8 million for 2H 2023 comprises current tax expense of €1.5 million and deferred tax expense of €16.3 million.  
Higher current tax expense for 2H 2024 was mainly due to 2H 2023 includes one-off tax credit in Netherlands after confirmation from tax authority that the tax was not payable. Deferred tax expense for 2H 2024 was due to valuation gain on some assets and decrease in tax base of investment properties.

---

## **Review of performance FY 2024 vs FY 2023**

### (a) Review of portfolio performance FY 2024 vs FY 2023

FY 2024 gross revenue decreased by €3.6 million or 1.6% to €212.9 million. Property operating expense decreased by €0.4 million or 0.5% to €81.8 million.

NPI decreased by 2.3% or €3.1 million in FY 2024. On a like-for-like basis, NPI was €3.5 million or 2.8% higher than pcp, excluding divestments completed in FY 2023 and FY 2024, and Nervesa21, Maxima and Via dell'Industria 18 due to redevelopment.

Please refer to Note 4.1 on page 22 of the Condensed Interim Financial Statements for portfolio performance by segment.

#### Logistics/Light industrial

FY 2024 gross revenue for logistics/light industrial portfolio was €102.0 million, €2.8 million or 2.8% higher than pcp whilst NPI was €66.1 million, €0.6 million or 0.9% higher than pcp. On a like-for-like basis, NPI was €1.0 million or 1.5% higher than pcp, excluding Via dell'Industria 18 in Italy due to redevelopment. The redevelopment project in Via dell'Industria 18 has €0.2 million negative impact to NPI. The significant increase in rental income following the redevelopment of the property into a multi-tenanted asset was offset by one-off utilities costs required and higher property management fees. The property is now well positioned to provide stronger returns in FY 2025.

The Slovakian portfolio NPI increased by €0.4 million or 9.2%, mainly contributed by Nove Mesto ONE Industrial Park I and Nove Mesto ONE Industrial Park III due to leasing activities particularly the development spaces built in FY 2023, partly offset by the increase in portfolio management fees from the increased property values.

The French portfolio NPI was €0.2 million or 1.2% higher largely due to higher rental income across the portfolio due to inflation indexation and higher occupancy in Parc des Grésillons which experienced some vacancy in the pcp. This was largely offset by greater provisions for bad debts in in FY 2024 particularly in Parc Urbaparc and Parc des Docks.

In The Netherlands, NPI increased by €0.2 million or 4.6% mainly due to higher rental income particularly in Veemarkt.

Czech Republic NPI was largely in line with pcp. Lower rental income due to a lease expiry in Lovosice ONE Industrial Park II was offset by higher rental income in Lovosice ONE Industrial Park I from new leases signed following the refurbishment of the existing building and letting up of the vacant space.

The United Kingdom performance was in line with pcp.

On a like-for-like basis, the Italian portfolio NPI was largely in line with the pcp.

Danish portfolio NPI was €0.1 million or 1.3% lower than pcp due to reduced occupancy in Priorparken 800, Naverland 7-11 and Sognevej 25, mitigated by higher rental income in the rest of the portfolio.

Germany portfolio NPI was largely in line with the pcp. Lower occupancy in Frauenstraße 31 and the absence of insurance income received in Siemensstraße 11 was offset by rental growth in the rest of the portfolio.

#### Office

FY 2024 gross revenue for the office portfolio was €104.8 million, €0.3 million or 0.3% lower than the pcp whilst NPI was €60.6 million, €0.4 million or 0.7% lower than pcp. On a like-for-like basis, NPI was €2.9 million or 5.0% higher than pcp, excluding the FY 2023 and FY 2024 divestments, as well as excluding both Nervesa21 and Maxima redevelopments.

During FY 2023, 2 s were divested, one in 1H 2023 (Piazza Affari 2) and another in 2H 2023 (Corso Lungomare Trieste 29), both in Italy. These divestments resulted in €2.0 million lower NPI in FY 2024 compared to pcp. During FY 2024, a further 4 properties were divested, 2 properties in 1H 2024 (Grójecka 5 in Poland and Grandinkulma in Finland) and another 2 properties in 2H 2024 (Lénine in France and Via Rampa Cavalcavia 16-18 in Italy) which further reduced NPI by €1.0 million.

Due to the redevelopment project in Maxima, Italy, NPI was €1.2 million lower as dilapidation income from previous tenant-customer was received in 2H 2023 and not in 2024. The redevelopment project in Nervesa21, Italy was successfully completed during FY 2024 and fully leased which contributed to €0.9 million higher NPI.

The increase in like-for-like NPI was mainly due to the Netherlands portfolio where NPI increased by €2.3 million or 8.0%. The outperformance was driven by higher occupancy in the portfolio and annual rental indexation impact. This was notable in Bastion, Central Plaza, Blaak 40 and particularly Haagse Poort where occupancy increased from 89% in 1H 2023 to 99% in 2H 2023 and was maintained throughout FY 2024.

On a like-for-like basis, Italian NPI increased by €0.5 million or 6.3% mainly due to lower provision for bad debts.

On a like-for-like basis, Poland NPI was €0.2 million or 1.1% higher than pcp mainly due to Avatar with higher rent and improved service charge recoverability as well as lower property management fees from valuation decline. This was partly offset by lower NPI in Business Garden due to lower occupancy and 2H 2023 included a credit from the release of a provision for bad debts.

The French portfolio NPI was €0.1 million or 3.5% higher on a like-for-like basis. This was due to higher occupancy in Cap Mermoz which increased from 76% in pcp to 96% in 1H 2024, partially offset by higher service charge leakage in Paryseine due to increase in vacancy.

On a like-for-like basis, Finland portfolio NPI decreased by €0.2 million or 5.6% mainly due to lower occupancy in Mäkitorpantie 3b, partly offset by lower non-recoverable property costs and property management fees due to lower valuations.

#### Other

FY 2024 gross revenue was €6.1 million, €6.0 million or 49.6% lower than FY 2023, whilst NPI was €4.5 million, €3.3 million or 42.3% lower than FY 2023.

The FY 2024 underperformance is mainly due to the divestment of Viale Europa 95 during FY 2023 which reduced NPI by €4.1 million and the divestment of Via Brigata Padova 19 during FY 2024 which reduced NPI by €0.2 million. This was partly offset by dilapidation income received in 1H 2024 in Via Brigata Padova 19 of €1.2 million.

On a like-for-like basis, FY 2024 NPI was €0.3 million or 8.2% lower than pcp, excluding divestments completed in FY 2023 and FY 2024. This was mainly due to lower occupancy in Via Madre Teresa 4 after a retail tenant vacating, partially offset by higher turnover rent in Starhotels Grand Milan and lower bad debts in Via Salara Vecchia 13.

- (b) Net finance costs of €36.0 million was €3.6 million or 11.2% higher than pcp mainly attributed to higher all-in interest rate (average all-in interest rate for FY2024: 3.2% p.a. vs FY 2023: 2.6% p.a.) due to higher margins on the new loans refinanced in 2H 2023 and higher weighted average strike rate on interest rate collars, partially offset by lower borrowings throughout FY2024 as compared to FY2023.
- (c) Manager's fees for FY 2024 of €5.4 million was 7.9% lower than pcp attributed to lower deposited property due to the divestments.
- (d) FY 2024 other trust expenses of €6.0 million was €0.2 million or 4.1% higher than FY 2023 mainly due to higher one-off consultancy fees incurred.
- (e) Net foreign exchange gain for FY 2024 of €1.9 million mostly arose from the revaluation of EUR denominated intercompany loans by a subsidiary of SERT due to the appreciation of GBP against EUR.

Net foreign exchange gain for FY 2023 mostly arose from the revaluation of EUR denominated intercompany loans by a subsidiary of SERT due to the appreciation of GBP against EUR, partially offset by exchange loss incurred in Poland and Denmark.

(f) FY 2024 gain on divestments of €0.6 million mainly relates to the divestment of an office asset located in Italy, partially offset by the loss on divestment which mainly relates to the divestment of an office asset in Finland, and transaction costs and disposal fees incurred for the divestment of two assets held for sale as at 31 December 2023.

FY 2023 loss on divestments of €9.9 million mainly relates to the divestment of two office assets and a government-let campus in Italy.

(g) Gain on bond buyback for FY 2023 relates to the repurchase of an aggregate principal amount of €50.0 million of the €500.0 million 2.125% Euro medium term notes due 19 November 2025.

(h) SERT recorded fair value loss on investment properties of €27.7 million in FY 2024 as compared to €133.6 million in FY 2023.

(i) FY 2024 fair value loss on derivative instruments of €2.7 million was mainly attributable to changes in values of interest rate collar contracts, in line with the decrease in Euribor swap rates, partially offset by fair value gain from increase in fair values of the cross-currency swaps.

FY 2023 fair value loss on derivative instruments of €8.8 million was mainly attributable to changes in values of interest rate cap and cross currency swap, in line with the decrease in Euribor swap rates.

(j) Income tax expense of €20.2 million for FY 2024 comprises current income tax expense of €7.5 million and deferred tax expense of €12.7 million. Income tax expense of €15.5 million for FY 2023 comprises current income tax expense of €5.8 million and deferred tax expense of €9.7 million.

Lower current tax expense for FY2024 was mainly due to FY2023 including a one-off tax credit from the release of an accrual of potential tax of a Dutch subsidiary following confirmation from the tax authority that the tax was not payable. Higher deferred tax expense for FY 2024 was in line with valuation gain on some properties and the decrease in tax base of investment properties.

### **3. Review of balance sheet of SERT**

#### *Cash and cash equivalents*

The decrease was mainly due to lower proceeds from divestments and the cash balance from asset sales in FY 2023 were used to fund capital expenditure, operating expenses and distribution payments during the year.

#### *Assets held for sale*

As at 31 December 2024, asset held for sale relates to Via della Fortezza 8, Florence, an office asset located in Italy. The asset is classified as held for sale pursuant to a binding offer entered into on 6 December 2024.

The two assets held for sale as at 31 December 2023, namely Grójecka 5 located in Poland and Via Brigata Padova 19 located in Italy were divested on 28 March 2024 and 4 April 2024 respectively.

#### *Receivables (Current)*

The increase is mainly attributed to proceeds from the divestment of the office asset located in Italy in December 2024.

#### *Current tax assets*

The increase was mainly due to the accrual of income tax credit claimed from the Singapore tax authority following the Ministry of Finance's decision to grant income tax exemption on foreign-sourced income previously disqualified from receiving tax exemption.



*Derivative financial instrument (Current assets)*

As at 31 December 2023, current derivative financial instrument related to the fair value of the €210 million notional interest rate cap due to mature in November 2024. The interest rate cap contract has been reclassified to non-current following the amendment of the contract in January 2024 to extend the maturity date to November 2026 with other new terms and conditions.

*Derivative financial instrument (Non-current asset)*

The increase was mainly due to the reclass of the amended interest rate cap contract from current asset as explained above and the increase in fair values of the cross currency swaps.

*Deferred tax assets*

Lower deferred tax assets was mainly attributable to some properties where the deferred tax assets were written off as temporary differences are covered by the initial recognition exemption applied when acquisition of the properties.

*Borrowings (Current)*

Current borrowing as at 31 December 2024 relates to the outstanding €450 million Euro Medium Term Notes due in November 2025.

*Payables (Current)*

The decrease is mainly attributable to lower accrued expense and lease incentives payable.

*Borrowings (Non-current)*

The decrease was mainly due to the reclass of the outstanding €450.0 million Euro Medium Term Notes due in November 2025 to current borrowings.

*Deferred tax liabilities*

Deferred tax liabilities are attributable to temporary differences between carrying amounts and tax base of investment properties. The increase is mainly attributed to valuation gain on some properties and lower tax base due to tax depreciation.

*Other non-current liabilities*

The decrease was mainly due to lower finance lease liabilities.

**4. Variance between actual and forecast/projection**

SERT has not disclosed any forecast to the market.

**5. (i) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

SERT did not hold any treasury units as at 31 December 2024 and 31 December 2023.

**5. (ii) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**5. (iii) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

## 6. Outlook and prospects

*A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.*

### **Economic commentary**

Eurostats reported Eurozone seasonal GDP growth of 0.1% in 4Q 2024, lifting full year 2024 GDP growth to 0.7%, up from 0.4% in 2023, up slightly on 2023 Oxford Economics forecasts, as ECB rate cuts and government spending-supported consumption were offset by weak investment. These projections reflect persistent economic weakness, particularly in net trade, although the trajectory of individual countries varies widely. Oxford Economics expects the Eurozone economic growth to build momentum over this and next year and forecasts annual GDP growth of 0.9% in 2025 and 1.2% in 2026, aided by projected falling interest rates and higher consumer spending.

Eurozone inflation was 2.5% in January 2025, slightly up from 2.4% in December 2024, mainly due to higher energy prices. Eurozone inflation is only expected to ease to below the 2% target in 2026. The ECB cut rates by 25bps in January 2025, bringing the headline refinancing rate to 2.90% compared to 4.50% in January 2024. Oxford Economics forecasts that the ECB will cut rates by 25 bps at every meeting until July 2025.

### **Market commentary**

The broader European logistics market remained soft in the second half of 2024 due to sluggish GDP growth and e-commerce normalisation to pre-pandemic levels. Six-month rolling take-up rates declined slightly compared to the previous period. Savills estimated 7.6 million sqm of industrial space take-up in 4Q, bringing the full-year total to 27.5 million sqm, 4% higher than the 2015-2019 pre-COVID averages.

ESG trends are moving into logistics with 69% of sampled occupiers citing changes to ESG regulations as the biggest game changer in this sector. Rental growth slowed to 2.3% in 2024 compared to 9.4% in 2023, reflecting a gradual rise in vacancies across Europe. Average prime yields for logistics were stable at 5.0%, with Savills expecting some compression in prime logistics during the year.

CBRE forecasts an 11.8% annualized total return for EU logistics over the next five years - the highest among asset classes, followed closely by office, reinforcing the strength of SERT's office portfolio. CBRE expects prime logistics yields, currently stable at 5.0%, to compress slightly this year, supported by the declining supply.

Supply of new sheds is slowing, underpinning expected returns. Based on CBRE data, European office take-up was broadly flat in 4Q 2024. Overall, office take-up in 2024 was approximately 15% lower than the previous year based on analysis by BNP analysis. This trend reflects the macroeconomic environment and structural changes in the office market, with occupiers focusing on smaller, more efficient, and flexible spaces. Prime vacancy in Europe's main office markets rose by 10 bps to 8.6%, according to CBRE. This compares favourably with SERT's prime office vacancy across SERT's five key gateway cities markets – Milan, Rome, Amsterdam, Rotterdam and The Hague – which continue to remain at a very low level with 3.7% in 2H 2024, reflecting the two-tiered office markets across Europe. According to Savills office take up reached 7.6 million square metres across all of Europe in 2024, +8.5% up on 2023 and only 10% lower than 2019 levels.

Savills also reported physical office occupancy on a weekly basis is now only 10% lower than pre Covid levels, with sub lease being withdrawn in certain areas.

Well-located prime offices remain highly sought, while secondary and tertiary stock in weaker locations faces falling occupier demand and eroding value. Office construction costs (including financing) are 50% up on 2019, which has subdued new supply and leading to real rental growth. Tenants continue to seek energy efficient buildings and more modern office space. Average prime CBD office yields were stable in 2024, ending the year at 5.0% reflecting this improved outlook. Coupled with improving economic growth, a limited development pipeline and modest but consistent office-based employment growth, the rental growth prospects for good quality, sustainable, well-located offices over the medium term remain compelling.

## European real estate market outlook

European transaction volumes amounted to €55.6 billion in 4Q 2024 according to MSCI, reaching €196.1 billion for the full year, an 11% y-o-y rise and the busiest period in the last two years. Q4 2024 was the busiest quarter in the past two years. Deal activity was primarily concentrated in the logistics, industrial, and living sectors. Logistics sector investment grew by 11.3% in 2024 to €40.4 billion, stabilising at close to pre-pandemic levels. Office investment volumes in 2024 were the lowest since 2009, yet prime, well-located, and energy-efficient offices still attracted the largest investment share.

European real estate fundamentals are expected to improve gradually in 2025. CBRE forecasts consistent rental growth alongside largely stable or compressing yields as base interest rates are cut. GDP growth is modest but positive. Inflation may be volatile but will continue to trend lower. Geopolitics is the significant downside risk to the European economic and real estate outlook, given the protectionist stance of the new US administration and the prolonged non-military impacts of the Russia-Ukraine conflict.

## Key priorities ahead

- **Active asset management:** Maintain high occupancy, secure key leases with key top 10 tenants, with positive negotiations already underway; execute leases with positive rent reversion, taking advantage of annual CPI linked indexation and drive net rental growth; further progress key developments / AELs planning stages, delivering higher yield- on-cost and NAV upside.
- **Disciplined capital management:** Maintain net gearing within the Board's policy range of 35-40% in the medium term; maintain and enhance Fitch Ratings and S&P Global Ratings BBB- Investment grade ratings; maintain ample liquidity and take advantage of SERT's recent successful January 2031 Series 002 Green Bond issuance and look to benefit from falling ECB rates.
- **Investment strategy:** Portfolio valuation has stabilised and some bright spots emerging; ease asset sales programme with €284.5 million in divestments at blended 13.1% premium already achieved since the beginning of the divestment programme in 2022; reposition for growth with the new sponsor Stoneweg supporting SERT's current strategy to continue pivot to logistics – potentially utilising a ROFR to SERT over its own pipeline of commercial real estate assets, including logistics and other complimentary asset classes in Western Europe.
- **Sustainability:** Progress asset-level ESG Initiatives with a focus on property-related sustainability capex (e.g. solar panels), energy and carbon emissions reduction plans and waste sorting, which leads to longer leases, valuation increases and achieving net zero by 2040 (scope 1 / 2); maintain MSCI ESG "A" ESG rating and GRESB 4 stars / 83 points; adopt early reporting for ISSB; achieve/outperform on all debt facilities sustainability and green bond KPIs.

## 7. Distributions

### (a) Current financial period

Any distribution declared for the current financial period? Yes

Period of distribution: Distribution for the period from 1 July 2024 to 31 December 2024

Distribution Type	Distribution Rate (in Euro cents)
Tax-exempt income	5.288
Capital	1.768
<b>Total</b>	<b>7.056</b>

Record date: 6 March 2025

Payment date: 28 March 2025

**(b) Corresponding period of the preceding financial period**

Any distribution declared for the corresponding period of the immediate preceding financial period? Yes

Period of distribution: Distribution for the period from 1 July 2023 to 31 December 2023

Distribution Type	Distribution Rate (in Euro cents)
Tax-exempt income	6.555
Capital	1.348
<b>Total</b>	<b>7.903</b>

Record date: 5 March 2024

Payment date: 28 March 2024

**8 If no distribution has been declared/recommend, a statement to that effect**

Not applicable.

**9 Interested person transactions**

SERT has not obtained a general mandate from Unitholders for interested person transactions.

**10 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Please refer to paragraph 2 on the review of the actual performance.

**11 Breakdown of revenue and total return**

	FY2024 €'000	FY2023 €'000	Fav./ (Unfav.) %
(a) Revenue reported for first half year	<b>106,284</b>	108,341	(1.9%)
(b) Total return/(loss) after tax for first half year	<b>31,779</b>	(15,560)	n.m.
(c) Revenue reported for second half year	<b>106,635</b>	108,148	(1.4%)
(b) Total return/(loss) after tax for second half year	<b>3,702</b>	(58,339)	n.m.

n.m. – Not meaningful

**12 Breakdown of total distributions**

	FY2024 €'000	FY2023 €'000
1 January 2023 to 30 June 2023 - paid	-	43,811
1 July 2023 to 31 December 2023 – paid	-	44,446
1 January 2024 to 30 June 2024 - paid	<b>39,648</b>	-
1 July 2024 to 31 December 2024 – to be paid	<b>39,682</b>	-

**13 Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Board of Directors of the Manager hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

**14 Confirmation pursuant to Rule 704(13) of the Listing Manual**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager or in any of SERT or its principal subsidiaries who is a relative of a director, chief executive officer, substantial shareholder of the Manager or substantial unitholder of SERT.

On behalf of the Board  
Stoneweg EREIT Management Pte. Ltd.  
As Manager of Stoneweg European Real Estate Investment Trust  
(Company Registration No: 201702701N)

Lim Swe Guan  
Chairman

Simon Garing  
Executive Director and Chief Executive Officer

### **Important Notice**

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

The value of Units and the income derived from them, if any, may fall or rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of Stoneweg European REIT and the Manager is not necessarily indicative of the future performance of Stoneweg European REIT and the Manager.