Schroder European Real Estate Investment Trust plc (Incorporated in England and Wales) Registration number: 09382477 JSE Share Code: SCD LSE Ticker: SERE ISIN number: GB00BY7R8K77 ("the Company")

20 December 2023

## EARLY REFINANCING COMPLETED OF ST CLOUD OFFICE LOAN

Schroder European Real Estate Investment Trust plc, the Company investing in European growth cities and regions, announces that it has completed the early refinancing of its St Cloud, Paris office loan, extending the term by three years from 15 December 2024 to 15 December 2027 with the option of a further year.

The refinancing is based on a margin of 1.9% and, reflecting the strength of its balance sheet, the Company has elected to de-lever, reducing the loan principal from  $\leq 17.0$  million to  $\leq 14.0$  million. As a result, the asset loan to value ("LTV") will fall from 45% to 37%.

The Company will continue to benefit from the existing interest rate hedge, capped at 1.25%, expiring 15 December 2024. A further interest rate hedge (capped at 3.25%) has been acquired covering the remaining loan period to 15 December 2027. This allows the company to benefit from the expected decline in interest rates.

Following this transaction, the Company's third-party debt totals €82.5 million across six loan facilities. The loan to value ('LTV') reduces from 33% to 32%<sup>1</sup> against the Company's gross asset value (c. 24%<sup>1</sup> net of cash), comfortably below the LTV prospectus limit of 35% net of cash. All facilities are on a non-recourse lending basis.

Following draw down, the weighted average loan term increases by seven months to 3.0 years (as of 15 December 2023). The Company's blended all-in interest rate increases c. 10 basis points to 3.0%.

Jeff O'Dwyer, Fund Manager for Schroder Real Estate Investment Management Limited, commented: "We have successfully managed the Company's main re-financing risk, pre-empting the tougher lending environment we anticipate facing select offices. The Company has a robust balance sheet, providing the necessary flexibility to deliver on our strategy and react to changing market conditions as new opportunities arise."

-Ends-

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The Company has a primary listing on the London Stock Exchange and a secondary listing on the JSE Limited.

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