

Quarterly Portfolio Update



Annualised dividend yield of 6.2 per cent, fully covered by income; First capital redemption undertaken and more expected in 2023

Starwood European Real Estate Finance Limited (“SEREF” or the “Group”), a leading investor managing and realising a diverse portfolio of high quality senior and mezzanine real estate debt in the UK and Europe, is pleased to present its factsheet for the quarter ended 30 June 2023.

SHARE PRICE / NAV AT 30 JUNE 2023



HIGHLIGHTS

- **Positive realisation progress** - during the quarter:
 - A total of £7.6 million, 2.0 per cent of the Group’s 31 March 2023 total funded loan portfolio, has been repaid across 6 investments
 - This included the full repayment of a loan on the Logistics Portfolio, Germany of €3.0 million and 5 partial repayments
 - Proceeds were used in the quarter to fund the first return of capital to shareholders of £10.0 million
- **All assets are constantly monitored for changes in their risk profile** - during the quarter to 30 June 2023, the following changes to risk classification were made:
 - Four assets moved from Stage 1 to Stage 2 indicating a change in their credit risk since origination but no impairments in value anticipated; and
 - One asset moved from Stage 2 to Stage 3 and a small credit loss of £1.7 million was recognised – this minor impairment represents 0.5% of the funded portfolio and is the result of the Group prudently applying sensitivities to net proceeds from an agreed asset sale which is subject to contract and is currently progressing through exclusivity
- **The average remaining loan term of the portfolio is 1.4 years**
- **Strong cash generation** - the portfolio continues to support annual dividend payments of 5.5 pence per Ordinary Share, paid quarterly, and generates an annual dividend yield of 6.2 per cent on the share price as at 30 June 2023
- **Regular and Consistent Dividend** - £219 million of dividends paid since inception (including the dividend of 2p per share declared in March, paid in April and the dividend of 1.375p per share declared in April, paid in May)
- **Inflation protection** - 76.1 per cent of the portfolio is contracted at floating interest rates (with floors)
- **Robust portfolio** - the loan book is performing broadly in line with expectations with its defensive qualities reflected in the Group’s continued NAV stability
- **Significant equity cushion** - the weighted average Loan to Value for the portfolio is 56.0 per cent

John Whittle, Chairman of SEREF, said:

“ Despite highly challenging market conditions which are reflected in low equity valuations across the investment company sector, we are reassured by our high quality real estate debt portfolio, which continues to provide a regular and consistent dividend from a robust portfolio which offers substantial protection against inflation. Our loan book is highly defensive and continues to perform broadly in line with expectations.

In accordance with the amendments to the Company’s articles of incorporation approved by shareholders at the EGM on 27 January 2023, we are seeking to return cash to shareholders in an orderly manner as soon as reasonably practicable following the repayment of loans, while retaining sufficient working capital for ongoing operations and the funding of committed but currently unfunded loan commitments. We have made good progress on this objective in the quarter under review, with proceeds from loan repayments being used to fund the first return of capital to shareholders of £10.0 million. We anticipate further capital returns in the second half of the year, and we look forward to updating shareholders in due course.”

ORDERLY REALISATION AND RETURN OF CAPITAL

On 31 October 2022, the Board announced the Company’s Proposed Orderly Realisation and Return of Capital to Shareholders. A Circular relating the Proposed Orderly Realisation, containing a Notice of Extraordinary General Meeting (EGM) was published on 28 December 2022. The proposals were approved by Shareholders at the EGM in January 2023 and the Company is now seeking to return cash to Shareholders in an orderly manner as soon as reasonably practicable following the repayment of loans, while retaining sufficient working capital for ongoing operations and the funding of committed but currently unfunded loan commitments.

In June 2023, the Company announced its first capital distribution, returning circa £10 million to shareholders through the compulsory redemption of 9,652,350 shares at a price of £1.0363 per share.

DIVIDEND

On 21 July 2023, the Directors declared a dividend, to be paid in August, in respect of the second quarter of 2023 of 1.375 pence per Ordinary Share, equating to an annualised income of 5.5 pence per annum.

PORTFOLIO UPDATE

The Group continues to closely monitor its loan exposures, underlying collateral performance and repayments. The Group has prudently assessed key risk indicators impacting all investments and has increased the number of loans classified as Stage 2 and moved one loan from a Stage 2 classification to a Stage 3 classification. This is outlined in detail under the Credit Risk Analysis section of this factsheet. Despite increased risk around higher interest rates and lower transaction volumes, the portfolio has continued to perform well.

During Q2 2023, a total of £7.6 million, equivalent to 2.0 per cent of the 31 March 2023 total funded loan portfolio, has been repaid across six investments. Repayments are originating from strategic underlying property sales, regular quarterly loan amortisation or borrowers electing to voluntarily pay down loan balances with surplus cash. The Group continues to project near term repayments and two loans (Hotel & Residential UK and Mixed Use Dublin) totalling approximately £61 million / 16 per cent of the total funded loan portfolio are expected to fully repay in the coming weeks following the receipt of refinance proceeds and contracted pre-sales which are forecast to fully repay the loans. These repayments will be used to provide a reserve of cash to fund committed to but as yet unfunded loan commitments (see investment portfolio table below) of £47.3 million and the remainder will be used in the second half of the year to fund further returns of capital to Shareholders.

The Group’s exposure to development and heavy refurbishment projects will reduce to zero upon final repayment of the Hotel & Residential UK loan which is expected to occur during Q3 2023. Since last quarter, this project has substantially completed and a number of pre-sold residential units have achieved financial completion, which has significantly reduced the Group’s loan basis.

Four asset classes represent 80 per cent of the total funded loan portfolio as at 30 June 2023; these are Hospitality (38 per cent), Office (21 per cent), Retail (12 per cent) and Residential (9 per cent).

The Hospitality exposure is diversified across six different loan investments. Two (25 per cent of hospitality exposure) benefit from State/Government licences in place at accretive rents with structural amortisation continuing to decrease loan exposures on these assets. The other trading hotel exposures either have been recently refurbished or will be on a rolling basis from mid-2023. All trading assets continue to have strong revenue performance driven by higher rates being achieved. Sponsors are keenly focussed on costs to ensure that dilution of strong top line perform due to higher costs is minimised. The weighted average Loan to Value of the Hospitality exposure is 49 per cent.

KEY PORTFOLIO STATISTICS AT 30 JUNE 2023

Number of investments	17
Percentage of currently invested portfolio in floating rate loans	76.1%
Invested Loan Portfolio unlevered annualised total return ⁽¹⁾	8.1%
Portfolio levered annualised total return ⁽²⁾	8.1%
Weighted average portfolio LTV – to Group first £ ⁽³⁾	11.6%
Weighted average portfolio LTV – to Group last £ ⁽³⁾	56.0%
Average loan term (based on current contractual maturity)	5.3 years
Average remaining loan term	1.4 years
Net Asset Value	£400.4m
Amount drawn under Revolving Credit Facilities (including accrued interest)	£0.0m
Loans advanced (including accrued interest and net of impairment)	£384.1m
Cash	£13.1m
Other net assets (including hedges)	£3.2m

Remaining years to contractual maturity*	Value of loans (£m)	% of invested portfolio
0 to 1 years	£186.4	49.2%
1 to 2 years	£87.6	23.1%
2 to 3 years	£46.0	12.1%
3 to 5 years	£59.2	15.6%

*excludes any permitted extensions. Note that borrowers may elect to repay loans before contractual maturity.

The Office exposure (21 per cent) is spread across seven loan investments. Occupancy across the leased office portfolio has held up well, with the vast majority of the underlying tenants renewing leases and staying in occupation. The Group's office exposure is predominantly weighted (over 65 per cent) toward strong city centre locations which is widely documented as being the most defensive, alongside buildings which have high quality, ESG credentials. 66 per cent of the Group's current office exposure is against underlying office collateral that is either newly constructed or has undergone recent refurbishment projects. The weighted average Loan to Value of loans with office exposure is 63 per cent. The average age of these independently instructed valuation reports is under one year and hence there continues to be significant headroom to the Groups basis on these loans. As a precaution however, two of the office loans have this quarter been classified in the higher risk Stage 2 category due to slower lease up of newly refurbished space than expected or a materially lower valuation level upon receipt of a revised appraisal.

The Retail exposure (12 per cent) has continued to perform strongly from an operational perspective, with occupancies across the shopping centre exposures fully recovered to pre-pandemic levels and in the high eighties or nineties per cent. The sponsor of the shopping centre loans has launched a comprehensive sale process and bids have been received on the assets. The Group is prudently reclassifying one of the retail loan exposures to a Stage 3 loan given a tight bid level versus the Groups loan level. This is further detailed in the Credit Risk Analysis section in this factsheet. The weighted average Loan to Value of the Retail exposure is 74 per cent.

Residential exposure (9 per cent) is predominantly related to the successfully pre-sold residential for sale development project (Hotel & Residential UK) that has now substantially complete with the loan projected to be fully repaid during Q3 2023. The weighted average Loan to Value of the Residential exposure is 38 per cent.

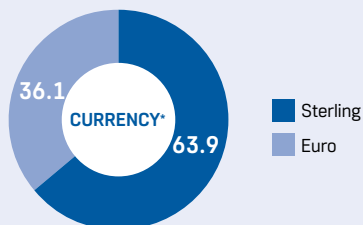
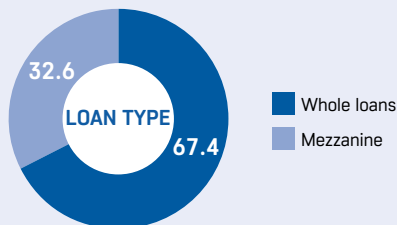
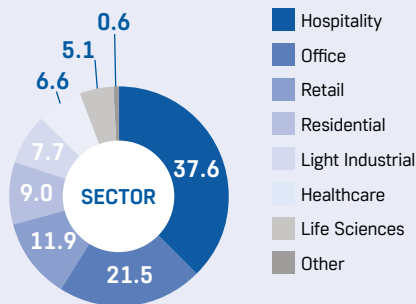
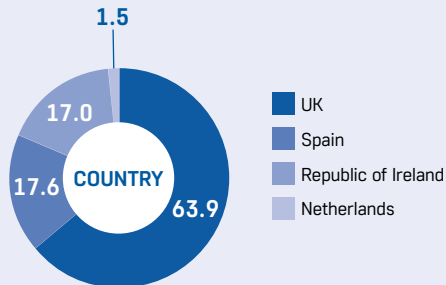
On a portfolio level we continue to benefit from material headroom in underlying collateral value against the loan basis, with a current weighted average LTV of 56.0 per cent. These metrics are based on independent third party appraisals (with the exception of two loans that have been marked against a lower sale process bid level). These appraisals are typically updated annually for income producing assets and following completion on newly constructed or refurbished assets. The weighted average age of valuations is just under seven months for income producing assets and just over one year including all loans.

(1) The unlevered annualised total return is calculated on amounts outstanding at the reporting date, excluding undrawn commitments, and assuming all drawn loans are outstanding for the full contractual term. 14 of the loans are floating rate (partially or in whole and all with floors) and returns are based on an assumed profile for future interbank rates, but the actual rate received may be higher or lower. Calculated only on amounts funded at the reporting date and excluding committed amounts (but including commitment fees) and excluding cash uninvested. The calculation also excludes the origination fee payable to the Investment Manager.

(2) The levered annualised total return is calculated as per the unlevered return but takes into account the amount of net leverage in the Group and the cost of that leverage at current SONIA/Euribor.

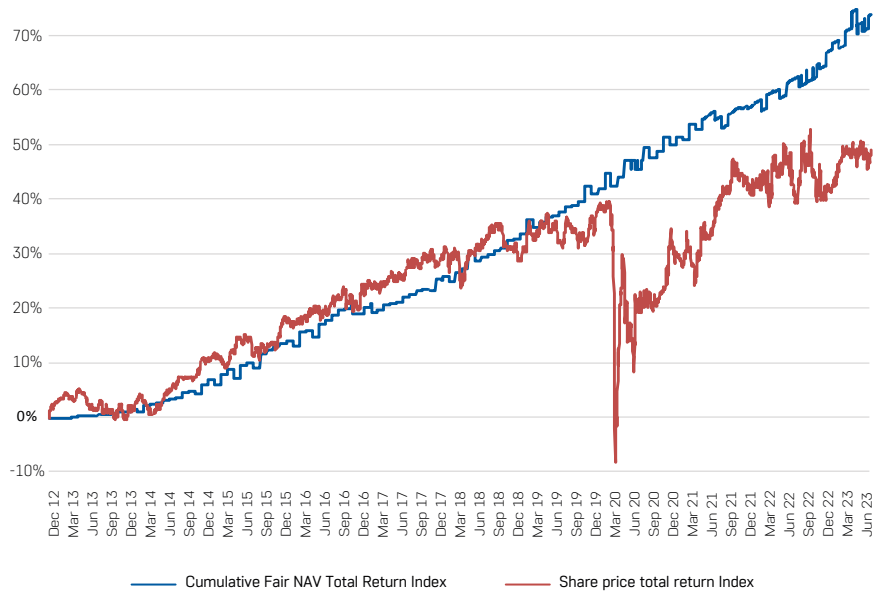
(3) LTV to Group last £ means the percentage which the total loan drawn less any deductible lender controlled cash reserves and less any amortisation received to date (when aggregated with any other indebtedness ranking alongside and/or senior to it) bears to the market value determined by the last formal lender valuation received by the reporting date. LTV to first Group £ means the starting point of the loan to value range of the loans drawn (when aggregated with any other indebtedness ranking senior to it). For development projects the calculation includes the total facility available and is calculated against the assumed market value on completion of the relevant project.

% of invested assets

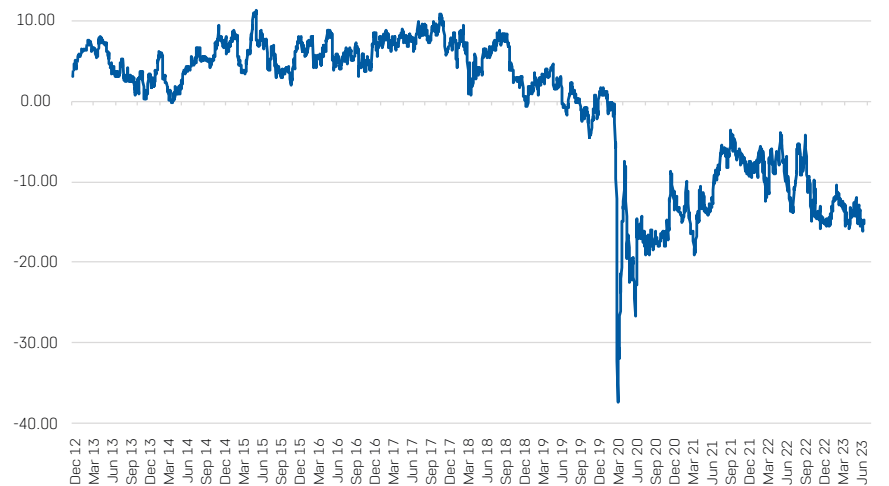


*The currency split refers to the underlying loan currency, however the capital on all non-sterling exposure is hedged back to sterling.

SHARE PRICE AND CUM-FAIR NAV TOTAL RETURN



PREMIUM / DISCOUNT CUM-FAIR



INVESTMENT RESTRICTIONS AND GUIDELINES (UNDER WHICH THE PORTFOLIO WAS ORIGINATED PRIOR TO THE CHANGE IN INVESTMENT OBJECTIVE TO THE ORDERLY REALISATION OF THE ASSETS OF THE COMPANY)

LOCATION

UK & wider European Union's internal market. No more than 50 per cent in any country except the UK where it is unlimited (subject to sector limits below).

LOAN TERM

Between 3 and 7 years but discretion retained. At least 75 per cent of loans 7 years or less.

LOAN TYPE

Senior, subordinated and mezzanine loans, bridge loans, selected loan on loan financing and other debt instruments.

LTV

Absolute maximum of 85 per cent with a blended portfolio LTV of no more than 75 per cent.

REAL ESTATE SECTOR & PROPERTY TYPE

Commercial real estate. No more than 30 per cent of NAV in residential for sale. No more than 50 per cent of NAV in any single sector in the UK except office which is limited to 75 per cent.

COUNTERPARTY & PROPERTY DIVERSIFICATION

No more than 20 per cent of NAV exposed to one borrower legal entity and no single investment exceeding 20 per cent of NAV at time of investment.

CREDIT RISK ANALYSIS

All loans within the portfolio are classified and measured at amortised cost less impairment.

The Group follows a three-stage model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified as Stage 1 and has its credit risk continuously monitored by the Group. The expected credit loss ("ECL") is measured over a 12-month period of time.
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to Stage 2 but is not yet deemed to be credit-impaired. The ECL is measured on a lifetime basis.
- If the financial instrument is credit-impaired it is then moved to Stage 3. The ECL is measured on a lifetime basis.

The Group closely monitors all loans in the portfolio for any deterioration in credit risk. As at the prior quarter end (31 March 2023), all but two of the Group's loan investments were categorised as Stage 1, with two loans (£44.6 million / 11 per cent of total funded loan portfolio) categorised as Stage 2 loans. As at the current quarter end, the Group have prudently reassessed assigned classifications and has made the following reclassifications:

- Stage 2 loans – four loan investments have moved from a Stage 1 classification to Stage 2. In total five loans amounting to £100.1 million / 26 per cent of total funded loan portfolio are now classified as Stage 2. The average Loan to Value of these exposures is 69 per cent. The average age of valuation report dates used in the Loan to Value calculation is just under six months old. While these loans are considered to be higher risk since initial recognition, no loss has been recognised on a 12-month and lifetime expected credit losses basis. Therefore, no impairment in the value of these loans has been recognised. The reclassification of these loans has been driven by various key risk assessment factors including the following:
 - Lower underlying property values following receipt of updated formal appraisals by independent valuers or agreed and in exclusivity sale values,
 - Sponsor business plans progressing slower than originally underwritten meaning that trading performance has lagged expectation and operating financial covenants under the facility agreements have breached, and
 - Additional equity support is required to cover interest or operating shortfalls as a result of slower lease up or operations taking longer to ramp up.

The Stage 2 loans continue to benefit from headroom to the Group's investment basis. In all cases sponsors have defined business plans to achieve stabilisation or optimise disposal processes. In most cases sponsors are supporting the continued execution of business plans and contractual loan payments by injecting additional equity. Additionally, the Group has in some cases negotiated for borrowers to inject equity to partially repay loans in exchange for selected temporary financial covenant waivers to allow headroom for strong sponsors to progress business plans. This will provide de-risking against the loan basis once documented and cash injected.

INVESTMENT RESTRICTIONS AND GUIDELINES (UNDER WHICH THE PORTFOLIO WAS ORIGINATED PRIOR TO THE CHANGE IN INVESTMENT OBJECTIVE TO THE ORDERLY REALISATION OF THE ASSETS OF THE COMPANY)

LOCATION

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- Stage 3 loan – one loan has been reclassified from Stage 2 to Stage 3. This investment totals £14.6 million / 4 per cent of total funded loan portfolio and its Loan to Value has been increased to 92 per cent. This value is based on the projected net proceeds which are expected to be available for loan repayment upon sale of the underlying loan collateral. The sponsor has run a comprehensive competitive sale process through a global advisory firm with oversight by the lenders and the bidder has proven execution track record in the same asset class and deal size and intends to close with all equity with no reliance on debt. Given continued capital markets volatility, materially lower transaction volumes and uncertainty regarding interest rates, the Group has approved the sale and the buyer is in exclusivity while undertaking standard purchaser due diligence.

While the current projected net sale proceeds on the stage 3 loan would fully pay down the Group's loan balance, the Group has applied sensitivities to the expected net proceeds and, on that basis, has accounted for a credit impairment of £1.7m / 0.5 per cent of total funded loan portfolio. We note that despite the impairment, this loan investment is projected to achieve local currency returns of over 1.4 times the Group's capital invested.

This assessment has been made based on information in our possession at the date of reporting, our assessment of the risks of each loan and certain estimates and judgements around future performance of the assets.

PARTIAL REPAYMENTS

During the quarter, despite lower transaction volumes across the markets because of the cautionary approach being adopted by investors, borrowers repaid the following loan obligations:

- €3.9 million, Hotel, Dublin (partial repayment of loan)
- €3.0 million, Logistics Portfolio, Germany (repayment of loan in full)
- €0.8 million, Office Portfolio, Spain (partial repayment of loan)
- €0.6 million, Mixed Portfolio, Europe (partial repayment of loan)
- €0.3 million, Three Shopping Centres, Spain (scheduled amortisation)
- €0.04 million, Mixed Use, Dublin (partial repayment of loan)

These repayments were used in the quarter to partially fund the first return of capital to Shareholders (which amounted to £10.0 million).

MARKET COMMENTARY AND OUTLOOK

In the previous quarter we saw inflation from energy costs beginning to moderate as we passed the anniversary of the beginning of the war in Ukraine. Some of these trends have continued over the quarter under review particularly in the United States where June CPI was well received by the markets down to 3 per cent which is the lowest rate since 2021 but there are concerns of a longer period of high inflation especially in the UK.

Eurozone preliminary data for June shows the consumer price inflation rate decreased to 5.5 per cent in June 2023, down from 6.1 per cent in the previous month and slightly below market expectations of 5.6 per cent. The core rate, which excludes volatile items such as food and energy, was slightly up from the previous month at 5.4 per cent but below the March rate of 5.7 per cent and also slightly below market forecasts of 5.5 per cent. Energy prices were down 5.6 per cent (versus down 1.8 per cent in May). More concerningly, services inflation picked up to 5.4 per cent from 5.0 per cent. However, more encouraging aspects to note are that the Eurozone consumer price inflation is now at its lowest level since January 2022 having peaked at 10 per cent in October 2022 and recent data shows factory gate prices in the region fell 1.5 per cent in the year to May, the first outright decline since December 2020.

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Notes:

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UK inflation has been higher persistently with concerns focussed around the core inflation rate. Interest rate markets moved markedly higher on the recent numbers. While the April data showed a reasonable decrease in overall consumer price inflation which declined from 10.1 per cent in March to 8.7 per cent, it was less of a decline than markets expected and core consumer price inflation continued to increase to 6.8 per cent which was the highest rate since March 1992. May numbers continued to miss expectations with the overall consumer price inflation rate unchanged at 8.7 per cent versus an expectation of a fall to 8.5 per cent. However June data swung the other way with a decline to 7.9 per cent versus analyst expectations of 8.2 per cent and markets reacted quickly to the surprise with asset prices rising across the board. The FTSE 100 rallied by almost 2 per cent and the 10 year gilt yield fell from 4.34 per cent to 4.16 per cent on the day.

As expected, central banks continue to be hawkish on the persistence of inflation. During the quarter, the Bank of England raised the UK base rate twice including a larger than expected 50 basis points move in June in reaction to the high inflation data. The Bank of England has now raised rates from 0.1 per cent to 5 per cent in this tightening cycle over a one and a half year period. The markets see more to come with the expected peak in UK interest rates having risen from an expected peak of 5 per cent as at May, to as high as 6.5 per cent following the May inflation numbers and Bank of England rate increases. Expectations of the next rate rise have been tempered by the more positive June inflation and the market now sees a 25 basis point rise more likely than a 50 basis point move.

In Europe there has also been two rate rises but with each being 25 basis points taking the key Euro interest rate to 3.5 per cent and markets expecting this to rise to a peak of 4 per cent. Christine Lagarde has signalled that the ECB will remain vigilant commenting on "a more persistent inflation process" meaning that rate-setters "cannot declare victory yet".

Higher interest rates expectations have fed directly into UK mortgage rates with fast changing rate expectations leading to a flurry of press reports on rising rates for residential mortgages. Headlines have highlighted the large numbers of mortgage deals being pulled from the market and in some cases leading UK banks repriced their headline mortgage rates twice in one week. 2 year fixed rate residential mortgages have now risen to above 6.5 per cent and the average rate for a five-year fixed mortgage stands at just over 6 per cent. These increases have begun to feed into house prices where average UK home prices according to the Halifax declined 2.6 per cent in the year to June which is the largest year on year decline since 2011.

Commercial real estate markets are looking for increased levels of certainty in inflation and interest rate expectations and until the outlook settles there is likely to be a decreased level of transaction volumes. This can be seen in the reduced activity in the first quarter of 2023 where investment volumes were down 62 per cent as a whole in Europe. Focussing on the office market where we commented last time on the differences between the US and European markets, observers might be surprised that volume decreases here are largely in line with the market as a whole with a 64 per cent decrease in office transaction volume. Looking at Central London office in particular the number of transactions is similar to the same period last year but the average lot size is down by 59 per cent which is in line with the reduction in overall transaction volumes. As is typical in slower markets the activity has been focussed on high quality assets and as such London office transactions in the first quarter of 2023 have set the highest ever recorded average capital value per square foot.

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Operating asset classes showed lower declines in investment volumes with hotel investment activity in the quarter versus the previous year being the strongest of the sectors. Hotels recorded a flat level of transactions reflecting strong underlying operating performance in the sector. All of the top 25 European hotel markets have recorded higher average room rates in the 12 months to end of May 2023 than they did in 2019.

One of the underperformers in transaction volumes for the quarter was logistics where volumes were down 76 per cent, however this may be a sector that picks up volume following a rapid repricing. Valuation adjustment in the UK during 2022 has been very swift with the move having been compounded by a high starting point due to strong performance in recent years. As a result of the rapid correction we had seen some evidence that yields were nudging off the recent highs. The fundamentals of high demand combined with supply being unable to keep up are still leading to a positive outlook for growing rental levels in this area which will attract investor interest to the positive income dynamics.

The wait for stability in the inflation and interest rate markets has been longer than many expected. This will continue to be a key driver for real estate markets and until the outlook settles further market volumes are likely to remain lower.

INVESTMENT PORTFOLIO AT 30 JUNE 2023

As at 30 June 2023, the Group had 17 investments and commitments of £426.5 million as follows:

	Sterling equivalent balance^{(1), (2)}	Sterling equivalent unfunded commitment⁽¹⁾	Sterling Total (Drawn and Unfunded)
Hospitals, UK	£25.0 m		£25.0 m
Hotel & Residential, UK	£49.9 m		£49.9 m
Office, London	£20.5 m		£20.5 m
Hotel, Scotland	£42.6 m		£42.6 m
Hotel, North Berwick	£15.0 m		£15.0 m
Life Science, UK	£19.5 m	£7.1 m	£26.6 m
Hotel and Office, Northern Ireland	£10.5 m		£10.5 m
Hotels, United Kingdom	£32.0 m	£18.6 m	£50.6 m
Industrial Estate, UK	£27.2 m	£19.0 m	£46.2 m
Total Sterling Loans	£242.2 m	£44.7 m	£286.9 m
Three Shopping Centres, Spain	£28.7 m		£28.7 m
Shopping Centre, Spain	£14.6 m		£14.6 m
Hotel, Dublin	£32.6 m		£32.6 m
Office, Madrid, Spain	£15.9 m	£0.9 m	£16.8 m
Mixed Portfolio, Europe	£5.7 m		£5.7 m
Mixed Use, Dublin	£10.9 m	£1.7 m	£12.6 m
Office Portfolio, Spain	£7.6 m		£7.6 m
Office Portfolio, Ireland	£21.0 m		£21.0 m
Total Euro Loans	£137.0 m	£2.6 m	£139.6 m
Total Portfolio	£379.2 m	£47.3 m	£426.5 m

⁽¹⁾ Euro balances translated to sterling at period end exchange rate.

⁽²⁾ Balances shown are funded balances before any impairments.

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LOAN TO VALUE

All assets securing the loans undergo third party valuations before each investment closes and periodically thereafter at a time considered appropriate by the lenders. The LTVs shown below are based on independent third party appraisals with the exception of two loans that have been marked against a lower sale process bid level. The current weighted average age of the dates of these third party valuations for the whole portfolio is just over one year while the current weighted average age of the valuations for the income producing portfolio (i.e. excluding loans for development or heavy refurbishment) is just over six months.

On the basis of the methodology and valuation processes previously disclosed (see 30 June 2020 factsheet with the exception as noted above) at 30 June 2023 the Group has an average last £ LTV of 56.0 per cent (31 March 2023: 58.3 per cent).

The table below shows the sensitivity of the loan to value calculation for movements in the underlying property valuation and demonstrates that the Group has considerable headroom within the currently reported last LTVs.

Change in Valuation	Hospitality	Office	Retail	Residential	Other	Total
-15%	58.1%	73.7%	87.5%	44.3%	68.8%	65.9%
-10%	54.9%	69.6%	82.6%	41.8%	65.0%	62.2%
-5%	52.0%	66.0%	78.3%	39.6%	61.6%	58.9%
0%	49.4%	62.7%	74.4%	37.7%	58.5%	56.0%
5%	47.0%	59.7%	70.8%	35.9%	55.7%	53.3%
10%	44.9%	57.0%	67.6%	34.2%	53.2%	50.9%
15%	42.9%	54.5%	64.7%	32.8%	50.9%	48.7%

SHARE PRICE PERFORMANCE

The Company's shares closed on 30 June 2023 at 88.6 pence, resulting in a share price total return for the second quarter of 2023 of 0.1 per cent. As at 30 June 2023, the discount to NAV stood at 14.6 per cent, with an average discount to NAV of 15.0 per cent over the quarter.

Note: the 30 June 2023 discount to NAV is based off the current 30 June 2023 NAV as reported in this factsheet. All average discounts to NAV are calculated as the latest cum-dividend NAV available in the market on a given day, adjusted for any dividend payments from the ex-dividend date onwards.

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