EDMOND DE ROTHSCHILD REAL ESTATE SICAV – COMMERCIAL INCOME ("ERRES-CI")
PUBLICATION OF THE SEMI-ANNUAL REPORT AS AT 30 SEPTEMBER 2025

The half-year results of ERRES-Commercial Income, at 30 September 2025, reflect the successful deployment of the funds raised in July 2024 and March 2025, exceeding the launch targets and confirming the ambition for a distribution of at least CHF 4.50/share.

- **Launch of the fund in July 2024** with an initial equity fundraising of CHF 54.4m, followed by a capital increase of CHF 56.5m fully subscribed in early March 2025
- **Acquisition of eight commercial buildings** in the cantons of Vaud, Geneva, Valais, Zurich and Lucerne for a market value of CHF 192.4m
- Portfolio returns and financing conditions more favourable than the business plan presented at the launch, **confirming the target distribution of CHF 4.50/share for the first full financial year in 2025/26**
- **Third successful fundraising in November 2025 for CHF 58.0m,** enabling the sub-fund to continue its development and diversification in line with the strategy and objectives

Deployment of capital

In the first 14 months of its existence, ERRES-Commercial Income completed eight acquisitions:

- CRISSIER (VD) - Morges 22-24: two office buildings Core+, located in the Crissier business area, in the immediate vicinity of the motorway interchange. This complex was acquired as part of a share deal and offers an excellent gross yield on the purchase price of 7.0% on a well-diversified, multi-tenant site (12 tenants).
- GLAND (VD) – Fontenailles 23: Core+ commercial building located in the Gland business area, offering a robust gross yield on purchase price of 6.3% secured over the long term (13 years) with a single tenant operating a fitness centre.
- LAUSANNE (VD) – Cour 61: Core office building ideally located in the city of Lausanne, acquired via sale and leaseback, offering an initial 5.0% gross yield and with attractive repositioning potential once the current single tenant vacates. .
- GENEVA (GE) – Vollandes 40: Core office building with an excellent location in the Eaux-Vives area with a gross yield of 4.5%. The property is fully leased, offering rental upside potential.

- ZURICH (ZH) – Buckhauserstrasse 24-26: Core+ complex of two buildings combining administrative, artisanal and storage areas located in the Altstetten district and offering a gross yield of 5.1%. With a three-year rental guarantee in place, these two buildings will be subject to a cost-optimization initiative aimed at improving the asset's net return.
- MEYRIN (GE) – Meyrin 214: Core business building ideally located on the Meyrin-Geneva Road, benefiting from building rights and offering a guaranteed gross yield on purchase price of 5.8% secured over the long term (8.9 years on average) with a car garage as the main tenant.
- KRIENS (LU) – Niedfeldstrasse 2: this hotel, the fund's first new construction project, is a strong fit with the Managed Real Estate – Operational Real Estate (OPRE) allocation, with a high-quality operator leasing all the surface areas for 2 x 15 years. Delivery is scheduled for April 2028, with a projected gross yield of 5.5%.
- SAXON (VS) – Léman 29: this building houses a clinic that recently extended its lease for a further 10 years, providing the fund with exposure to the buoyant health and medical sector with gross yield on purchase price of 5.9%.

The manager, Edmond de Rothschild REIM (Suisse), has also secured a transaction pipeline of around CHF 100m to be executed in the coming months in connection with the success of the CHF 58.0m capital increase of November 2025 (after the half-yearly closing).

Portfolio

The real estate assets of the Commercial Income sub-fund amounted to CHF 192.4m at 30 September 2025, through seven existing buildings and one new construction project. The annual rental statement of the portfolio totalled CHF 9.85m.

The buildings are located (% of market value) in the cantons of Zurich (37.5%), Vaud (26.6%), Geneva (18.4%), Valais (14.6%) and Lucerne (2.9%). The sector distribution is as follows: 58.7% offices, 23.7% light industrial, artisanal and logistics, and 17.5% OPRE.

At 30 September 2025, the vacancy and rent-loss ratio stood at 2.04% of the total rental statement, including rent-free periods and rental loss and after taking into account negotiated rental guarantees. The average remaining lease term "WAULT" amounts to 4.4 years. The five main tenants account for 54.62% of the total theoretical rental income.

The weighted average real discount rate used by the independent experts is 3.42%.

Finance

The net asset value (NAV) at the closing date was CHF 105.15/share, compared with a launch NAV in July 2024 of CHF 100.00/share.

The revaluation of all the properties in the portfolio at 30.09.2025 generated an unrealised gain of CHF 0.20m or CHF 0.19/share over the half-year.

Net income for the first half of the year, including revenue and current expenses, was CHF 2.75m, or CHF 2.55/share. Income amounted to CHF 4.25m, while expenses totalled CHF 1.50m. These results make it possible to confidently envisage a minimum distribution of CHF 4.50/share for the 2025/26 financial year.

The debt ratio at 30 September 2025 was 42.82%. The manager has started to set long maturities on the debt portfolio with a view to taking advantage of the currently attractive conditions in order to reduce financial risk. In addition to the average maturity at 30.09.2025, which stood at 3.05 years, other early refinancing operations were carried out, bringing the effective maturity to over five years at the time of writing. The average cost of debt remains

highly attractive, at 0.96% at the reporting date (and 1.04% after refinancing), offering a significant differential with the yields on properties acquired.

Outlook

The manager is confirming the targeted distribution of at least CHF 4.50/share for the 2025/26 financial year.

Thanks to a high-quality deal flow and advanced negotiations on several points, the manager aims to fully deploy the funds raised at end-November 2025 by end-January 2026. The securing of an additional acquisition pipeline is under way to continue the dynamic development and diversification of the sub-fund in accordance with the strategy and objectives set.

Link to the half-year report

https://www.edr-realestatesicav.ch/erres-commercial-income/publications

If you have any questions, please contact:

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