EDMOND DE ROTHSCHILD REAL ESTATE SICAV – COMMERCIAL INCOME (« ERRES-CI »)
PUBLICATION OF THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025
(ISIN CH1332870810)

Morges, 18.06.2025 – **Publication of the annual report for the year ended 31 March 2025.**

Fund manager statement « The first annual results of ERRES-Commercial Income, at 31 March 2025, reflect the successful deployment of the initial funds raised in July 2024 and March 2025.

- Launch of the fund in July 2024 with an initial equity fundraising of CHF 54.4 million, followed by a capital increase of CHF 56.5 million fully subscribed in early March 2025
- Acquisition of five commercial buildings in the cantons of Vaud, Geneva and Zurich for a market value of CHF 131.7 million and the signing of a sixth forward acquisition in Geneva
- 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

Deployment of capital

In the first nine months of its existence, ERRES-Commercial Income completed its first five acquisitions:

- CRISSIER (VD) - Morges 22-24: two office buildings/Core+ activity 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 excellent profitability (with a gross yield on 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 excellent profitability (6.3% gross yield on purchase price) 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 sales and leaseback, offering a good initial yield (5.0% gross yield on purchase price) and attractive repositioning potential on the departure of the single tenant.
- ZURICH (ZH) – Buckhauserstrasse 24-26: Core+ complex of two buildings combining administrative, business and storage areas located in the Altstetten district. With the benefit of a three-year rental guarantee, these two buildings will be subject to optimised charges.

The manager has also signed a forward acquisition for the building below. The transfer of ownership took place after the closing date of the financial year under review:

- MEYRIN (GE) – Meyrin 214: core-business building ideally located on the Meyrin-Geneva road, benefiting from building rights and offering a guaranteed gross return on purchase price of 5.6% secured over the long term (8.9 years on average) with a car garage as the main tenant.

Portfolio

For its first annual closing, the real estate assets of the Commercial Income sub-fund amounted to CHF 131.67 million at 31 March 2025, through five properties. The annual rental statement of the portfolio amounted to CHF 6.71 million.
The buildings are located (% of market value) in the cantons of Vaud (38.59%), Zurich (54.91%) and Geneva (6.50%). The sector distribution is as follows: 65% offices and 35% industrial,artisanal and logistics.
At 31 March 2025, the rental loss rate stood at 1.43% of the total rental statement, including rent-free periods and rental loss.
The average residual term of "WAULT" leases is 3.6 years.
The five main tenants account for 54.62% of the total theoretical rental status.
The weighted average real discount rate used by the independent experts is 3.28% in real terms (4.30% in nominal terms).

Finance

The net asset value (NAV) reached CHF 104.28/share at 31 March 2025, compared with CHF 100.00/share on launch in July 2024. This 4.28% increase was driven both by positive net income and the unrealised gain on acquisitions.
The revaluation of the properties following their acquisition generated an unrealised gain of CHF 1.62 million or CHF 1.50/share.
Net income for the nine-month financial year, including revenue and current expenses, was CHF 2.02 million, or CHF 1.87/share. Income amounted to CHF 2.77 million, while expenses totalled CHF 0.74 million. A dividend of CHF 1.87/share will be proposed to shareholders at the Annual General Meeting of July 2025.
The debt ratio at 31 March 2025 stood at 14.41%. The manager recovered two existing credit lines on the Morges 22/24 building in Crissier (VD) and financed the buildings of Fontenailles 23 in Gland (VD) and Cour 61 in Lausanne (VD). The average duration of maturities is 0.6 years, making it possible to take full advantage of the Swiss National Bank's key-rate cuts, the average cost being 1.44%.

Outlook

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

Information about Edmond de Rothschild Real Estate SICAV – Commercial Income (ERRES-CI) is available on the Management Company website: www.solutionsandfunds.ch

Link to the audited annual report
https://www.edr-realestatesicav.ch/erres-commercial-income/publications

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Key indicators (9-month period from 04.07.2024 to 31.03.2025)

AMAS indices	**31.03.2025**
Rental loss rate	**1.43%**
Debt ratio	**14.41%**
EBIT margin	**88.05%**
Fund operating expense ratio (TER GAV) – Annualised	**0.89%**
Fund operating expense ratio (TER MV) – Annualised	**1.00%**
Return on equity (ROE)	**3.35%**
Return on invested capital	**4.23%**
Premium/Discount	**0.69%**
Investment return	**4.28%**
Dividend yield**	**1.78%**
Payout ratio	**99.61%**

Other financial indicators	**31.03.2025**
Number of buildings	**5**
Property values	**131'671'000**
Real discount rate	**3.28%**
Gross asset value	**136'839'472**
Net asset value	**112'333'259**
Average cost of debt	**1.44%**
Average debt maturity	**0.58 years**
Net asset value per share	**104.28**
Dividend per share	**1.87***

Stock market indicators	**31.03.2025**
OTC Market value per share**	**105.00**
Stock market performance TR 04.07-31.03	**+5.00%**
Market capitalisation	**113'103'900**
Number of shares	**1'077'180**

** Proposal submitted to approval by the Ordinary General Meeting. Distribution subject to withholding tax.*
***The last price paid on the secondary market was used to calculate these indices.*