Ad hoc announcement according to Art. 53 LR

EDMOND DE ROTHSCHILD REAL ESTATE SICAV – SWISS ("ERRES-SWISS")
PUBLICATION OF THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025
(ISIN CH0124238004)

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

Fund manager statement « The results of ERRES-SW at 31 March 2025 are encouraging against the backdrop of a clear improvement in the market.

- **Payment of an exempt dividend of CHF 3.80 per share**, stable against last year, representing a payout ratio of 80.35%, to be approved by the Annual General Meeting on 11 July 2025.
- **Low rental loss rate of 1.98%**, reflecting the quality of assets and the work carried out by the asset manager.
- **Increase of +2.63% in theoretical rental income at constant scope**, thanks to the active implementation of the strategy on increasing rental statements.
- **Strong construction activity**, with the delivery of three new projects in the financial year and robust progress on three other projects with a view to delivery at the end of summer 2025.
- **Sale of three buildings** well-valued or presenting a risk, generating a realised distributable profit of CHF 9.6 million, i.e. CHF 0.60/unit.
- **10.2% reduction in the portfolio's CO2 emissions to 17.3 kg CO2/m2**, achieved in particular through two total renovations, the commissioning of eight new solar installations, and the connection to the district heating system of the largest residential complex in the portfolio.
- **First participation in the** *GRESB Real Estate Assessment*, with a score of 86 points and 4 stars.
- **Announcement of a capital increase of around CHF 395 million** for the summer of 2025, to finance a secure and accretive portfolio, complete construction under way, reduce leverage to 28% on average and ensure flexibility for securing new acquisitions.

Income statement

At 31 March 2025, net income for the year, including revenue and recurrent expenses, was up 2.1%, at CHF 53.9 million, or CHF 3.36/share.
Total income increased 3.6% from the previous year, driven by a 3.1% increase in rental income to CHF 111.2 million. The increase in rental income was driven by past acquisitions (CHF 2.5 million), new acquisitions (CHF 1.8 million) and work on rental statements, together with the proactive management of vacancies, resulting in rental income growth of CHF 1.3 million.

Project deliveries (new construction or increased density) contributed CHF 2.7 million. Sales in the previous and current financial year were down by CHF 4.9 million. In addition, over CHF 8.8 million in rental statements are currently under construction in the portfolio and will make a positive contribution over the next two financial years.
At 31 March 2025, the rental loss rate stood at 1.98% of total rental income, including rent-free periods and losses, compared with 2.10% the previous year. The low vacancy rate attests to the quality of portfolio assets, their good locations and the proactive management of new lease signings by the manager.
The vacancy rate continued to improve substantially for certain strategic commercial properties.
The vacancy rate of Corniche 3A/3B in Épalinges (VD) and Freiburgstrasse 555 in Niederwangen (BE) reached a record low level (0.4% and 0.3%, respectively) following successful letting of vacant area. The average rate is nevertheless impacted by a particular situation at the Veyrot 11 building in Meyrin (GE), where the relocation of the main building is still under way.
Expenses at 31 March 2025 stood at 53.1% of income, compared with 52.4% in the previous year. Building-related expenses (maintenance and renovation, administration and direct expenses) were stable at 15.3% of total income. The tax expense as a percentage of income was 13.8%, i.e. stable compared with the previous year. Owing to the increase in the volume of debt, interest expense increased by 14.2% and now accounts for 11.0% of income. Despite high financing costs at the beginning of the year, the average interest rate of the portfolio fell slightly, from 1.38% to 1.37%. The fund's operating costs (TER) remained stable, at 0.61% of total assets (GAV).
Three assets were sold during the period, generating a realised profit after tax of CHF 9.6 million, for a net margin of more than 7.2% on historical cost prices. Net income for the financial year totalled CHF 63.5 million, up 0.3% compared with the previous year, corresponding to CHF 3.96/share.
Total income for the 2024/25 financial year came out at CHF 70.6 million, up sharply compared with the previous financial year. This figure was positively influenced by the revaluation of the real estate portfolio, reflecting the new market conditions, as well as the value created by the manager by obtaining numerous building permits and through active management work.

Balance sheet

The debt ratio at 31 March 2025 was 31.2%, compared with 30.4% at the end of the previous financial year. The increase in the volume of debt of the portfolio in the financial year funded the growth in the fund’s real estate assets, with building purchases totalling CHF 98.97 million over the period. During the year, the manager sought to take advantage of attractive financing conditions at the short end of the interest rate curve. As a result, the average financing term was reduced to 3.92 years, from 4.79 years in the same period in the previous year. The manager is constantly assessing the situation and remains ready to extend financing terms in the coming months if market conditions prove favourable.
The weighted average interest rate is stabilising after having increased for two years. At 31 March 2025, it stood at 1.37%, compared with 1.38% a year earlier.
The manager is pursuing its strategy of diversifying counterparties, by distributing financing between commercial banks, cantonal banks, insurance companies and direct lenders, the aim being to benefit from the best available conditions according to market phases.
Following the purchase of five new buildings and the sale of three buildings over the year, the portfolio held 149 assets at 31 March 2025, for a total asset value of CHF 2,975.8 million.
Residential properties continued to account for the majority of assets. The portfolio broke down as follows (as a percentage of market value): 59.1% residential assets, 11.4% mixed-use assets, 25.9% commercial assets and 3.6% land and buildings under construction. Commercial properties are mainly exposed to high-quality tenants committed to long-term leases. The geographical breakdown of

properties remains concentrated in French-speaking Switzerland, with 53.2% of total assets by market value located in the Geneva canton and 21.8% in Vaud.
The net asset value at 31 March 2025 amounted to CHF 123.46/share, compared with CHF 122.86/share a year earlier, up 0.5%.

Sustainability

Over the 2024/25 period, the manager accelerated the deployment of its sustainability strategy.
Highlights included the addition of new floors and full energy-efficiency renovation, with continued occupancy, of the building located at Avenue François-Besson 5-7-9 in Meyrin (GE); the full energy-efficiency renovation, with continued occupancy, of the Baillive 5 building in Geneva (GE); the extension of solar energy production to eight new sites, with 21 sites now equipped; the installation of seven new smart boxes to optimise heat production; the replacement of oil-fired heating systems with a district heating system powered by renewable energy (at two sites); and HPE certification for two buildings among existing assets. The manager puts users at the centre of its approach, raising tenants' awareness of eco-friendly actions, installing eco-responsible fittings in buildings, renovating or creating bicycle storage areas, and proposing a green lease clause in contracts to encourage new commercial tenants to make responsible use of the building.

The portfolio's average CO2 emissions stood at 17.3 kgCO2/m2, down by 10.2% year on year. This figure is standardised according to the recommendations of the Asset Management Association Switzerland (AMAS) and is based on the Real Estate Investment Data Association (REIDA) repository. The ten-year investment plan set by the asset manager in the budgets and used for appraisals by the fund's valuation experts provides for more than CHF 335 million and should reduce CO2 emissions by over 50% by 2035.

The first participation in the GRESB Real Estate Assessment resulted in an encouraging result of 86 points (out of 100) and a four-star rating. At the same time, we continue to participate in the evaluation of the portfolio evaluation according to the Swiss Sustainable Real Estate Index (SSREI) with a rating of 1.74 (out of 3) in 2025, in line with the 1.75 average of the portfolios evaluated.

Transactions

The various rate cuts by the Swiss National Bank had a favourable effect on the Swiss real estate market. The transaction market began to recover in the summer of 2024, marked by renewed investor interest in real estate.
Over the period, the sub-fund made five acquisitions for a total of CHF 99.0 million. The first acquisition concerns a building located at Rue Jean-Charles Amat 14, in the sought-after Pâquis district in the centre of Geneva. The second acquisition concerns two residential entrances located at ECU 15–17A in Vernier (GE), forming part of a larger complex in which ERRES-Swiss already owns several buildings. The manager's teams are working on a large-scale development project to create building rights and renovate the complex. The transfer of ownership of the new building located on Chemin de Challendin 1–3–5 was formalised in the summer of 2024 following acceptance of the work. The fourth acquisition concerns a building located at Vergers-de-la-Gottaz 1–5 in Morges (VD), part of a complex housing a residence for seniors operated by a leading operator. The asset is secured by a long-term lease. Lastly, the building located at rue du Nant 29 in Geneva (GE), which is entirely residential, enjoys a prime location in the Eaux-Vives district and has a significant rental reserve to be enhanced by the gradual renovation of the apartments.

In addition, the manager secured ten additional transactions in the form of forward acquisitions, which will strengthen the portfolio in the next financial year.
Three sales were made during the period, for a total amount of CHF 142 million, generating a net gain after tax and expenses of CHF 9.58 million, or CHF 0.60 per share. The sales of Prulay 37 and Coopérative 5 to Meyrin (GE) resulted in significant unrealised capital gains, generated by renovations and elevations (Prulay 37) and by a construction and development project (Coopérative 5). The manager is pleased to note that the efforts made — obtaining permits, optimising projects, and rigorously monitoring projects — are creating tangible value for investors. The sale of the Casino 51 building in Montreux (VD) is part of a risk management approach, owing to its high exposure to non-food retail and the flexibility offered by the maintenant's lease.

Construction and renovation

The 2024/25 financial year was marked by strong development activity, both in new construction and renovation.
The year began with the delivery of the commercial building located at Trafostrasse 1 in Bülach (ZH), with tenants moving in on 1 May 2024. The building is fully let to three high-quality tenants, based on firm leases with an average term of more than 10 years. Heat is produced by pellet district heating, which reduces the building's CO2 emissions to close to zero. However, the end of the project was complicated by the financial difficulties encountered by the general contractor Steiner AG. We refer the reader to the "Important legal matters" section of the annual report for a detailed update on this subject.
In July 2024, the second operation was delivered: a residential building located at Chemin de Challendin 1, 3 and 5 in Chêne-Bougeries. The reception of this building confirmed the transfer of ownership to the ERRES-Swiss portfolio, as part of a forward sale. This high-energy performance THPE building, heated using the innovative ICESOL system, comprises 39 apartments subject to the HM LUP regime, all of which are currently let.
The third delivery concerns a residential building located at Chemin Falconnier 59 in Nyon, in the Petite-Prairie district. The building has 36 apartments, all let, while the retail area on the ground floor (142 m²) is still available for rent. The heating system is based on a water-to-water heat pump combined with geothermal sensors and rooftop photovoltaic panels.
In Lausanne (VD), the construction of the three commercial buildings of the Biopôle F1 will be completed in the summer of 2025, with the maintenant scheduled to enter in August 2025. The nearly 20,000 m2 of office and laboratory space are 77% let, with an average lease term of 14 years. The buildings will be Minergie P certified and generate rental income net of building rights of CHF 5.0 million.
In Geneva (GE), the residential construction project located on Rue Édouard-Rod is moving ahead in line with schedule, with delivery planned for end-September 2025. The development includes two alleys totalling 37 housing units, coming under the ZD-LOC and LDTR regimes, as well as 600 m² of retail space. The building will be connected to the district heating system and equipped with photovoltaic solar panels, enabling it to target HPE certification.
The comprehensive renovation of the building located at Baillive 5 in Geneva (GE), including the creation of two new apartments by fitting out the attic, has been successfully completed. The building has obtained HPE certification.
Two projects have been initiated: the energy renovation and the creation of two attic housing units at 31-December 43 (GE), and the energy renovation of the building located at Dancet 8 (GE). These two operations are also aimed at obtaining HPE certification at the end of the work.
The manager is also continuing to implement upgrade, renovation and increased-density projects planned over the next few years, with targeted returns on investment exceeding the profitability of existing assets % and a positive contribution to sustainability objectives.

Outlook

The strategy set by the Board of Directors and implemented by the asset manager gives the Swiss sub-fund an interesting outlook. The following principles govern the portfolio's development:

- Predominance of French-speaking Switzerland thanks to the manager's professional network, with a focus on the Geneva canton, which stands out for its strong rental demand.
- A well-positioned portfolio in terms of location, vacancy risk and environmental profile.
- Average debt level of 28% over a financial year
- Payment of a sustainable dividend and spreading of the contribution of profits realised on disposals over several years.
- Constant improvement in the energy and social footprint, aiming for a concrete, measurable impact on buildings and tenants.
- Deployment of the portfolio's intrinsic value reserves by renovating rental assets or developing construction potential.
- Controlling rental risks with dynamic proactive building management.
- Controlling fund expenses and fees by seeking to optimise the profitability of rents received.
- Selective growth of the residential portfolio by targeting well-located and high-quality buildings with rental prospects.
- The disposal of non-core assets to recycle capital and lock in capital gains.

The management team is convinced that these strategic priorities will enable ERRES-SW to stand apart.
The Board of Directors announced and then confirmed a capital increase of approximately CHF 395 million (subscription ratio of 1 new share for 5 existing shares) in the summer of 2025 to finance a secured portfolio of CHF 118 million, complete the construction and renovation in progress for CHF 58 million, and reduce debt to 28% on average, while maintaining flexibility to secure opportunities currently under negotiation ».

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

Link to the annual report and investor presentation
https://www.edr-realestatesicav.ch/erres-swiss/publications

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Key indicators

AMAS indices	**31.03.2025**	31.03.2024
Rental loss rate	**1.98%**	2.10%
Debt ratio	**31.22%**	30.40%
EBIT margin	**72.34%**	69.24%
Fund operating expense ratio (TER GAV)	**0.61%**	0.61%
Fund operating expense ratio (TER MV)	**0.72%**	0.81%
Return on equity (ROE)	**3.58%**	1.48%
Return on invested capital	**2.81%**	1.39%
Premium / Discount	**35.91%**	21.28%
Investment return	**3.70%**	1.52%
Dividend yield	**2.26%**	2.55%
Payout ratio	**80.35%**	79.03%

Other financial indicators	**31.03.2025**	31.03.2024
Number of buildings	**149**	147
Property values	**2'975'854'889**	2'883'570'080
Real discount rate	**2.86%**	2.78%
Gross asset value	**3'025'346'664**	2'957'143'544
Net asset value	**1'979'980'066**	1'970'370'108
Average cost of debt	**1.37%**	1.38%
Average debt maturity	**3.92 years**	4.79 years
Net asset value per share	**123.46**	122.86
Dividend per share	**3.80***	3.80

Stock market indicators	**31.03.2025**	31.03.2024
Market value per unit	**167.80**	149.00
Stock market performance TR 01.04-31.03	**+15.50%**	+14.88%
Market capitalisation	**2'691'183'615**	2'389'668'407
Number of shares	**16'038'043**	16'038'043

Sustainability indicators	**31.03.2025**	31.03.2024
Coverage ratio**	**98.9%**	93.9%
Non-fossil energy**	**26.6%**	39.3%
Energy intensity (kWh/m^2)**	**112.2**	124.6
Greenhouse gas emission intensity ($kgCO_2/m^2$)**	**17.3**	19.3
Power of solar panel installations (kWc)	**2'014**	1'297
SSREI rating (out of 3)	**1.74**	1.83
GRESB rating (out of 100)	**86**	N/A

** Proposal submitted to approval by the Ordinary General Meeting.*
*** According to AMAS notice and best practice for environmental data.*