

5 December 2025

**SCHRODER EUROPEAN REAL ESTATE INVESTMENT TRUST PLC**

**("SEREIT"/ the "Company" / "Group")**

**FULL YEAR RESULTS FOR THE YEAR ENDED 30 SEPTEMBER 2025**

**Positive NAV total return underpinned by balance sheet strength and exposure to winning sectors**

Schroder European Real Estate Investment Trust plc, the Company investing in European growth cities and regions, announces its full year results for the year ended 30 September 2025.

**Robust balance sheet and indexed-linked rent reviews support earnings resilience and positive total return**

- Underlying EPRA earnings of €7.3 million before exceptional items (30 September 2024: €8.2 million), reflecting the sale of the Frankfurt investment, with the portfolio continuing to benefit from high occupancy and strong rent collection
- Dividends declared for the year totalled 5.92 euro cps (30 September 2024: 5.92 euro cps), 94% covered by EPRA earnings before exceptional items, offering an attractive dividend yield of c.8.2% based on the share price of 63.2 pence sterling as at 1 December 2025
- Net Asset Value ("NAV") of €156.7 million, or 119.2 cps, (30 September 2024: €164.1 million or 122.7 cps), driven by unrealised revaluation losses
- IFRS profit of €2.2 million (30 September 2024: €0.6 million), with underlying EPRA earnings more than offsetting negative capital items (valuation and capital expenditure). Along with the positive impact of the share buyback programme (2,326,700 shares acquired for £1.5 million (€1.8 million)), this resulted in a +2.0% NAV total return
- c.€8.3 million of available cash, with a further €14.2 million ring-fenced to cover against the French tax claim, resulting in an LTV of 29% gross of cash, and 25% net of cash
- Tax disclosure update: as previously announced, the Group received a notice of adjustment from the French Tax Authority amounting to c.€14.2 million, including interest and penalties. The Group maintains its position that this amount is not payable and has formally appealed the decision. This appeal, submitted as a claim to the French Tax Authority, is expected to be reviewed within a six-month period. If the claim is dismissed, the Group would escalate the matter to a formal court process, which could take up to two years to resolve. Based on professional advice, the Board has decided not to make a provision, as they do not believe that an outflow is probable. The Group will continue to monitor the situation and will provide further updates as necessary.

**Asset management initiatives with the benefit of on-the-ground local teams and allocation to higher-growth regions, continue to support valuation resilience**

- Direct property portfolio independent valuation declined by 1.4%, to €194.0 million (net of capex), with a 5% increase in the industrial portfolio valuations largely offsetting declines in other sectors, primarily driven by shortening lease terms
- Koninklijke KPN N.V. ("KPN") has provided verbal indication that it will terminate its lease and vacate the Apeldoorn asset at the end of December 2026. The Company continues to work on solutions for the asset including re-letting to a replacement tenant or obtaining planning approval for alternative uses. As previously highlighted, KPN's anticipated departure is expected to negatively impact the Company's future income profile. In the event the Investment Manager is unable to fully offset the loss of income from the Apeldoorn asset, the level of future dividends or earnings cover will likely be impacted. An update regarding the Group's strategy to maximise value from the Apeldoorn property will be provided when appropriate
- Concluded ten new leases and re-gears, generating €2.1 million of annual contracted rent, at a weighted lease term of 11.0 years, further strengthening the portfolio income profile and improving portfolio occupancy and which included:
  - o A long-term lease re-gear to Hombach, the second largest tenant in the Company's portfolio by income (10%), in Berlin, extending lease expiry to December 2037; and
  - o Post period end, completed two further lettings across 900 sqm of vacant space at the Paris office asset improving the portfolio occupancy to 97% (30 September 2025 - 94%)
- Select outputs from third-party sustainability and Net Zero Carbon (NZC) audits across 11 assets have been incorporated into 2025 business plans.

**Sir Julian Berney Bt., Chairman, commented:**

"The period has been characterised by a cautious recovery in economic sentiment across key European markets, with inflation pressures gradually abating and the outlook for interest rates remaining broadly stable, creating a more favourable borrowing backdrop. There are some encouraging signs that liquidity within the European real estate market is improving, reflecting a more balanced alignment between pricing expectations from buyers and sellers, as

market is improving, reflecting a more balanced alignment between pricing expectations from buyers and sellers, as well as a gradual restoration of investor confidence and institutional allocations."

**Jeff O'Dwyer, Fund Manager for Schroder Real Estate Investment Management Limited, added:**

"We remain focused on asset management initiatives designed to maintain occupancy, income, and value, while also enhancing asset liquidity. Addressing Apeldoorn is an immediate priority to help limit the potential impact on future dividends. However, the diversified nature and resilience of our tenant base, with assets leased at sustainable rents in strong submarkets, provide a solid foundation to navigate current market conditions and protect value for our shareholders."

The Annual Report and Accounts are also being published in hard copy format and an electronic copy of that document will shortly be available to download from the Company's web pages [www.schroders.co.uk/serelit](http://www.schroders.co.uk/serelit).

The Company's Annual Report and Accounts, including the Notice of Annual General Meeting, will shortly be uploaded to the Financial Conduct Authority's National Storage Mechanism and will be available for inspection at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. A separate announcement will be released once this has taken place.

A further announcement will be made shortly to confirm the full timetable of the fourth interim dividend.

A presentation for analysts and investors will be held at 9 a.m. GMT/11 a.m. SAST today. Registration for which can be accessed via:

<https://www.schroders.events/SEREFY>.

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**Chairman's Statement**

**Overview**

The period has been characterised by a cautious recovery in economic sentiment across key European markets, with inflationary pressures gradually abating and the outlook for interest rates remaining broadly stable. This improved backdrop has led to a more constructive environment for both occupiers and investors, though underlying uncertainty persists due to ongoing geopolitical developments and global economic headwinds. There are encouraging signs that liquidity within the European real estate market is improving, as evidenced recently by rising transaction volumes for commercial property across the region. This trend reflects a more balanced alignment between pricing expectations from buyers and sellers, as well as a gradual restoration of investor confidence and institutional allocations, in part driven by the more favourable borrowing backdrop. The increased activity demonstrates the continued appeal of European commercial real estate as an asset class and long-term investment, providing further support for the Company's strategy.

Within this context, the Board remains acutely aware of the persistent discount to NAV at which the Company's shares continue to trade at a discount that primarily reflects broader market factors, including the challenges facing smaller listed vehicles regarding liquidity and investor preference for scale, as well as previously reported specific challenges with regards to KPN's departure and the French Tax claim. Despite these factors, the fundamentals underpinning the Company's strategy remain strong, supported by robust property performance, a resilient balance sheet, and a sustained track record of income delivery.

We recently announced the appointment of Phil Redding as a non-executive director becoming the new Chairman of the Board from the next annual general meeting. Phil will work alongside me until his formal appointment at the Annual General Meeting, scheduled for 17 March 2026. He brings considerable and highly relevant experience to the position, having most recently served as Chief Executive Officer of Tritax EuroBox Plc. In light of Phil's appointment, the Board believes it is both prudent and appropriate to defer any formal decisions regarding the Trust's longer-term strategic direction until the new Chairman has had sufficient opportunity to review the Company and engage with shareholders. Recent feedback from a number of investors has been notably positive, particularly in recognition of the way the Trust has been managed through ongoing market challenges. Key investors have reaffirmed their support for the Trust, underlining the attractiveness of its income strength, management and the resilience demonstrated in recent periods.

The Investment Manager continues to deliver results through proactive asset management, local expertise, and operational excellence, delivering stable income returns. Recent initiatives, including the disposal in Frankfurt and the successful re-gear with Hombach in Berlin, demonstrates the Manager's ability to drive portfolio-level performance. Moving forward, the Investment Manager has a robust pipeline of asset management activities which will further optimise occupancy, income, value, and asset liquidity.

As this will be my final statement as Chairman, I would like to express my sincere thanks to my fellow Board members, the Investment Manager, and all stakeholders for their support and dedication over the last 10 years. It has been a privilege to serve the Company during this period of both challenge and opportunity. I remain confident in the strength of the Trust's strategy and management team, and I wish the Company every success in the future under new leadership.

## Results

We are pleased to announce our audited results for the financial year ended 30 September 2025.

**IFRS result:** The Company delivered an IFRS profit of €2.2 million (compared to €0.6 million for 30 September 2024) as underlying EPRA earnings more than offset negative capital items (valuation and capital expenditure). Including the positive impact of the share buyback, this resulted in a +2.0% NAV total return for the twelve months.

**EPRA earnings:** Underlying EPRA earnings were €7.3 million before exceptional items, and €6.7 million after (compared to €8.2 million for 30 September 2024), with the decline reflecting the sale of the Frankfurt investment, with the portfolio continuing to benefit from high occupancy and good rent collection.

**Dividend:** The Board has maintained the quarterly dividend of 1.48 euro cents per share. The total dividends declared for the current twelve months amounted to €7.8 million, equating to 5.92 euro cents per share (compared to 5.92 euro cents per share for 30 September 2024), which offers an attractive dividend yield of approximately 8.2% per annum based on the share price of 63.2 pence sterling as of 1 December 2025. This dividend is 94% covered by EPRA earnings, reflecting the lost income as a result of the Frankfurt disposal during the period, before exceptional items.

As previously announced, the key binary risk to long-term dividends remains the shortening lease term with KPN in Apeldoorn, the Netherlands, expiring in December 2026. KPN has verbally confirmed their intention to issue their formal notice before 31 December 2025 to depart on lease expiry as at 31 December 2026. The manager is actively pursuing various initiatives to mitigate this impact, including sourcing a replacement tenant and/or selling the asset to redeploy capital elsewhere.

**Portfolio value:** The underlying portfolio valuation decreased by €3.1 million (net of capex), or -1.4%, to €194.0 million, with a 5% increase in the industrial portfolio, which witnessed a slight tightening of yields and rental growth, offset by declines in other sectors.

**Emphasis on asset management:** We executed ten new leases/ re-gears generating €2.1 million of annual income, including completing a 12-year lease re-gear with our second largest tenant, Hombach, at the Berlin DIY asset, which accounts for 11% of the portfolio income.

**Robust balance sheet:** The Company's balance sheet continues to be managed prudently. The outstanding debt balance has reduced to €64.3 million as at 30 September 2025 (compared to €82.5 million for 30 September 2024), resulting in a prudent LTV of 29% gross of cash and 25% net. The LTV has increased since the half year as a result of the decision to arrange a bank guarantee in relation to the French tax disclosure (further information below).

**Energy and carbon:** Over the period we incorporated various insights from on-site and third-party sustainability and Net Zero Carbon ('NZC') audits, carried out on 11 of 14 assets, directly into our 2025 business plans. This approach ensures that audit findings inform tangible investment decisions to enhance asset value and liquidity, in line with our broader portfolio enhancement objectives. Concurrently, we recorded our largest annual improvement to date in the Global Real Estate Sustainability Benchmark ('GRESB'), increasing our score by four points to 86, while maintaining our four-star status.

**Tax disclosure:** Further to our previous disclosures concerning ongoing discussions with the French Tax Authority, the Group has now arranged a bank guarantee post year-end of approximately €12.2 million, excluding interest and penalties. This reflects the French Tax Authority's requirement for coverage of only the principal tax amount by the guarantee. Should penalties and interest accruing up to 30 September 2025 be included, the total sum increases to €14.2 million. The Group maintains its position that this amount is not payable and has formally appealed the decision. This appeal, submitted as a claim to the French Tax Authority, is expected to be reviewed within a six-month period. If the claim is dismissed, the Group would escalate the matter to a formal court process, which could take up to two years to resolve. Based on professional advice, the Board has decided not to make a provision, as they do not believe that an outflow is probable. The Group will continue monitoring the situation and will provide further updates as necessary.

## Outlook

The Company's fundamentals remain robust, underpinned by a disciplined approach to balance sheet management and execution of asset management initiatives aimed at maximising occupancy, income, value and improving asset liquidity. While the broader environment continues to be shaped by geopolitical risks, general macroeconomic sentiment is expected to improve. The sector is benefitting from long-term structural tailwinds, such as historically

low new supply and a progressive move towards more accommodative monetary policy across Europe. If these dynamics continue, there is scope for increased confidence among both occupiers and investors. This, in turn, could enhance the attractiveness and liquidity of European real estate markets as we move through the current cycle. In addition, forthcoming resolutions to both the French Tax and KPN's departure will provide further clarity around the Company's strategic direction and future positioning.

## Sir Julian Berney Bt.

Chairman

4 December 2025

## Investment Manager's Report

There is scope for increased confidence among both occupiers and investors, which could enhance the attractiveness and liquidity of European real estate markets as we move through the current cycle"

## Financial results

The net asset value ('NAV') as at 30 September 2025 stood at €156.7 million (£136.3 million)<sup>1</sup>, or 119.2 euro cents per share (103.7 pence per share), compared with €164.1 million, or 122.7 cps, as at 30 September 2024. During the period, dividends totalling €7.9 million were paid and shares totalling €1.9 million were bought back, which resulted in a NAV total return of 2.0%.

The table below provides an analysis of the movement in NAV during the reporting period as well as a corresponding reconciliation in the movement in the NAV euro cents per share.

	€m	cps <sup>2</sup>
<b>NAV as at 1 October 2024</b>	<b>164.1</b>	<b>122.7</b>
Unrealised change in the valuations of the real estate portfolio <sup>3</sup>	(2.3)	(1.8)
Capital expenditure <sup>3</sup>	(0.8)	(0.6)
Transaction costs <sup>3</sup>	(0.2)	(0.1)
Development profit	0.2	0.2
EPRA earnings <sup>4</sup>	6.7	5.1
Non-cash/capital items	(1.2)	(0.9)
Share buy-back	(1.9)	0.5
Dividends paid <sup>5</sup>	(7.9)	(5.9)
<b>NAV as at 30 September 2025</b>	<b>156.7</b>	<b>119.2</b>

The direct portfolio, after accounting for capital expenditure, declined in value by €3.1 million.

Accrued transaction costs for the sale of the Frankfurt asset (€0.2 million) and other non-cash/capital items (€1.1 million mainly from derivative movements) also contributed to the NAV decline.

EPRA earnings of €6.7 million more than offset the impact from these capital items and resulted in an overall IFRS profit of €2.2 million.

## Transactions

Following the successful completion of various asset management initiatives at the Frankfurt grocery asset, including securing longer-term leases with anchor tenants Lidl and Fressnapf, a disposal of the asset was agreed in line with the 30 September 2024 valuation, with the sale concluding in April 2025.

In addition, the Company completed the sale of its 50% stake in the Metromar joint venture. The disposal price was in line with the Company's previous recognition of its interest being nil value, with the outstanding debt transferring to the purchaser.

1 Exchange rate as at 30 September 2025 of GBP:EUR 1.15

2 Based on 131,407,986 shares per 30 September 2025

3 The unrealised loss in the valuation of the real estate of the portfolio (€2.3m), net of capital expenditure (€0.8m), reconciles to the 'net gain/(loss) from fair value adjustment on investment property' of (€3.0m) in the full Annual Report and Accounts.

4 EPRA earnings as reconciled in the full Annual Report and Accounts.

5 Dividends of 5.92 cps were paid during the financial period. A dividend for the quarter ended 30 September 2025, of 1.48 Euro cents per share, was approved and will be paid in February 2026. Total dividends declared relating to the 12 months' ended 30 September 2025 were 5.92 Euro cents per share.

## Real estate portfolio

As at 30 September 2025, the portfolio comprised 14 institutional grade properties valued at €194.0 million, generating rental income of €16.4 million per annum and reflecting a net initial yield of 7.1%. The independent valuers'

portfolio estimated rental value ('ERV') is €16.0 million per annum.

Key asset management highlights included:

- Ten new leases/re-gears generating €2.1 million of annual income at a weighted unexpired lease term of 11 years. This includes a 12-year lease extension of anchor tenant, Hombach, at the Berlin DIY asset;
- Additionally, two further lettings concluded at the Paris asset post quarter end leasing up c.900 sqm vacant space, thereby improving portfolio occupancy from 94% to 97%; and
- Select outputs from third-party sustainability and Net Zero Carbon (NZC) audits across 11 assets have been incorporated into 2025 business plans.

The de-risking of Apeldoorn in particular continues to be a main focus. The building is leased to the Dutch telecommunications company KPN, generating c.€3 million of rent p.a. with expiry in December 2026. The asset accounts for 6% of the portfolio's total value and 19% of rent. Independent valuers have determined the market value based on the present value of the remaining income and land value. KPN has verbally confirmed their intention to issue their formal notice before 31 December 2025 to depart on lease expiry as at 31 December 2026. The manager is actively pursuing various initiatives to mitigate this impact, including sourcing a replacement tenant and/or selling the asset to redeploy capital elsewhere. Considering the potential implications of KPN's departure, alternative options and broader portfolio activity, the Company's ability to maintain its current dividend is likely to be impacted.

Otherwise, the diversified nature and strength of underlying tenants, and the assets generally being leased off sustainable rents, is expected to sustain relatively resilient portfolio income in the current economic environment.

Approximately 36% of the portfolio by value is offices, all of which are in supply-constrained locations and leased off affordable rents. Our industrial exposure at 37% is a mixture of distribution warehouses and light industrial accommodation in growth cities within France and The Netherlands. Our retail exposure at 14% comprises DIY. Another 9% of the portfolio is allocated to the alternatives sector, comprising a mixed-use data centre and a car showroom, with the remaining 4% in available cash.

## Strategic Report

### At a glance

#### Portfolio Overview

The Company owns a diversified portfolio of commercial real estate in Continental Europe with favourable property fundamentals. The Company has targeted assets located in Winning Cities and Regions and in high-growth sectors. Winning Cities and Regions are those that are expected to generate higher and more sustainable levels of economic growth, underpinned by themes such as urbanisation, demographics, technology and infrastructure improvements.

Top 14 properties by value

#### France, Paris

Sector	Office
Value <sup>1</sup> (%) <sup>2</sup>	€35.6m (18%)
No. of tenants	12
Largest tenant	Outscale

#### Germany, Berlin

Sector	Retail (DIY)
Value <sup>1</sup> (%) <sup>2</sup>	€27.4m (14%)
No. of tenants	1
Largest tenant	Hombach

#### Germany, Hamburg

Sector	Office
Value <sup>1</sup> (%) <sup>2</sup>	€19.8m (10%)
No. of tenants	14
Largest tenant	AGT

#### France, Rennes

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€18.9m (9%)
No. of tenants	1
Largest tenant	C-LOG

#### Germany, Stuttgart

Sector	Office
Value <sup>1</sup> (%) <sup>2</sup>	€17.9m (9%)

No. of tenants	4
Largest tenant	LandBW

#### **The Netherlands, Venray I**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€13.0m 6%
No. of tenants	1
Largest tenant	DKL

#### **The Netherlands, Apeldoorn**

Sector	Other
Value <sup>1</sup> (%) <sup>2</sup>	€11.9m (6%)
No. of tenants	1
Largest tenant	KPN

#### **The Netherlands, Alkmaar**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€19.9m (5%)
No. of tenants	1
Largest tenant	Schuurman Beheer

#### **France, Rumilly**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€10.7m (5%)
No. of tenants	1
Largest tenant	Cereal Partners (Nestlé)

#### **The Netherlands, Houten**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€9.5m (5%)
No. of tenants	1
Largest tenant	Inventum

#### **France, Cannes**

Sector	Car Showroom
Value <sup>1</sup> (%) <sup>2</sup> Value <sup>1</sup> (%)	€7.2m (4%)
No. of tenants	1
Largest tenant	Stellantis

#### **France, Nantes**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€6.3m (3%)
No. of tenants	1
Largest tenant	Hachette

#### **The Netherlands, Utrecht**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€3.0m (2%)
No. of tenants	3
Largest tenant	Straight Intern. Security

#### **The Netherlands, Venray II**

Sector	Industrial
Value <sup>1</sup> (%) <sup>2</sup>	€2.0m (1%)
No. of tenants	1
Largest tenant	So Expo

1 As per third party valuation reports unadjusted for IFRS lease incentive amounts.

2 Percentages reflect the value of the property asset based on the total portfolio of €202.3m, including available cash of €8.3m (internally calculated).

The table below sets out the portfolio's top ten tenants by contracted rent, which are from a diverse range of industry segments, and represent 73% of the portfolio.

#### **Top ten tenants**

Rank	Tenant	Industry	Property	Contracted rent €m	rent % of total	WAULT break (yrs)	WAULT expiry (yrs)
1	KPN	Telecom	Apeldoorn	3.2	19%	1.3	1.3
2	Hornbach	DIY	Berlin	1.7	10%	12.3	12.3
3	C-log	Logistics	Rennes	1.3	8%	5.4	5.4
4	Outscale	IT	Paris	1.1	7%	3.7	6.7
5	Cereal Partners	Consumer staples	Rumilly	0.8	5%	0.6	0.6
6	DKL	Logistics	Venray	0.8	5%	3.0	3.0
7	LandBW	Government	Stuttgart	0.8	5%	0.8	0.8
8	Schuurman Beheer	Manufacturing	Alkmaar	0.8	5%	12.5	17.5
9	Inventum	Manufacturing	Houten	0.7	5%	4.3	4.3
10	Filassistance	Insurance	Paris	0.7	4%	2.3	7.3
<b>Total top ten tenants</b>			<b>11.9</b>	<b>73%</b>	<b>4.5</b>	<b>5.4</b>	
Remaining tenants			4.5	27%	2.8	3.9	
<b>Total</b>			<b>16.4</b>	<b>100%</b>	<b>4.0</b>	<b>5.0</b>	

The largest tenant is KPN, representing 19% of the portfolio's contracted rent. KPN are a leading telecommunications and IT provider and market leader in the Netherlands which occupies our mixed-use Apeldoorn asset (data centre and office). KPN has verbally confirmed their intention to issue their formal notice before 31 December 2025 to depart on lease expiry as at 31 December 2026.

The second largest tenant is Hornbach, a leading German-based operator of do-it-yourself ('DIY') stores and home centres. It is representing 10% of the portfolio rents and is the sole occupier of our Berlin DIY asset, comprising a four-hectare site that has the potential to benefit from alternative uses.

The remaining large tenants, with businesses across a diversified range of industries, each account for between 4-8% of portfolio rents. These include C-log, Outscale, Cereal Partners (Nestlé), DKL, Land Baden-Württemberg, Schuurman Beheer, Inventum and Filassistance.

#### Portfolio performance over the 12 month period ending 30 September 2025:

**Valuation performance:** Over the twelve-month period, the underlying portfolio valuation decreased by €3.1 million (net of capex), or -1.4%, to €194.0 million.

The portfolio's industrial assets all increased in value. The Rumilly, Venray I & II, Alkmaar, Houten, Utrecht and Rennes values (net of capex) increased by 5% on average, driven by positive investment sentiment translating into stronger investment volumes and yield compression.

In contrast, the office portfolio value (Paris, Hamburg, Stuttgart) declined by 5%, owing to continued weaker market sentiment. The Berlin DIY asset value reduced 2% and the mixed-use data centre in Apeldoorn value declined 13%, due to the decreasing remaining lease term with KPN.

**Total property returns:** The portfolio total property return ('TPR') was 5.6%. With the portfolio benefitting from strong occupancy and high rent collection, property income returns were strong at +7.1%, thereby more than offsetting negative capital returns of -1.5% which was primarily a result of shortening lease lengths.

Strong performance was seen across the industrial portfolio, with Venray delivering a TPR of +22.3%, Utrecht +24.2%, Rumilly +17.2%, Houten +11.5%, Nantes +12.4%, Rennes +6.9%, Alkmaar +4.8% and Venray II +4.7%.

Following the Frankfurt sale, the Berlin DIY store is now the sole retail asset in the portfolio. Since agreeing a long-term lease re-gear with the asset's sole tenant, the asset has recovered some value again in the most recent quarters. The property returned 5.5% TPR over the period. The office portfolio performance was more muted, with Stuttgart delivering a TPR of +4.6%, Paris Saint-Cloud -0.6%, and Hamburg -4.2%.

The portfolio's mixed-use data centre in Apeldoorn delivered a total return of +9.0%, with a high income return compensating for a capital value decline. The Cannes car showroom delivered 11.7%.

Over the longer term, the real estate portfolio has delivered ungeared property returns of 2.2% over three years and 4.0% over five years.

#### Berlin, Germany

#### ASSET MANAGEMENT

##### Asset overview

Acquired in March 2016 for €24.3 million, the asset comprises a 16,800 sqm DIY retail scheme held under freehold ownership and fully let to Hornbach. As at 30 September 2025, the valuation stood at €27.4m.

Located in Mariendorf, approximately 10 km south of Berlin City Centre, the site spans four hectares in a supply-

constrained location surrounded by medium density residential.

### **Asset strategy**

The strategy over the period was to secure a longer-term re-gear with the tenant in order to drive value through improving the asset's income security and liquidity profile, which was successfully achieved in May 2025.

### **Rationale**

- New 12-year triple-net lease agreed with Hombach, the second largest tenant in the Company's portfolio with a market capitalisation of c.€1.4 billion
- Significantly improved the portfolio's income security and increased the overall portfolio unexpired lease term by 1.3 years
- Achieved an improved BREEAM In Use certification of 'Very Good' (up from 'Good') upon renewal, through close collaboration with the tenant and the implementation of light quality and flood risk assessments
- Agreed a partial green lease clause with the tenant, increasing portfolio area coverage to 55% from 44%

### **Rumilly, France**

## **ASSET MANAGEMENT**

### **Asset overview**

Purchased in August 2018 for €8.5 million, the latest valuation as at 30 September is €10.7 million (prior to any lease re-gear).

The strategically located warehouse has served as the principal distribution centre for Cereal Partners France (a Nestlé and General Mills joint venture) for 30 years with daily transfers of c.30 trucks between the site and Nestlé's Rumilly production facility c.3km away.

### **Asset strategy**

During the period, the focus has been directed towards securing a long-term re-gear ahead of the tenant's lease expiry in April 2026, with the objective of enhancing the asset's long-term value through targeted capital investment.

### **Rationale**

- Advanced negotiations and principal agreement with Cereal Partners France for a new long-term lease. As part of the agreement, the tenant will invest capex to upgrade the asset's power capacity and air extraction system within the warehouse
- Concurrently, landlord capex investment to be undertaken to upgrade the ESFR fire sprinkler system, creation of a footbridge linking the car park to the offices and of a separate passenger car parking area thereby enhancing the safety and comfort for building users
- Successful closing expected in Q4 2025 which will enhance asset liquidity and value

### **Balance sheet**

The Company used the Frankfurt disposal proceeds to repay €6.6 million of the portfolio loan facility with Deutsche Pfandbriefbank. In addition, the outstanding loan facility secured against the Seville joint venture transferred to the purchaser.

As a result, total third-party debt reduced to €64.3 million as at 30 September 2025 (from €82.8 million as at 30 September 2024).

Cash levels are totalling €8.3 million of available cash as at 30 September 2025. In addition €14.2 million has been ring-fenced to secure the French tax claim. Gearing levels are modest, with an LTV of 25% net of cash and 29% gross of cash. This is well within the Company's net LTV 35% maximum.

Debt is spread across five loan facilities and secured against ten assets. The current blended all-in interest rate is 3.8% and the average remaining loan term is 2.3 years.

The only upcoming loan expiry is secured against the Berlin DIY asset which has recently undergone a long-term lease re-gear, enhancing its appeal.

We have commenced preliminary discussions with lenders and are confident in our ability to refinance at similar LTVs, albeit current swap rates would result in the overall cost of debt increasing. There are no further debt expiries until December 2027.

The individual loans are detailed in the table below. Each loan is held at the property-owning level instead of the Group level and is secured by the individual properties noted in the table. There is no cross-collateralisation between loans



loans.

Each loan has specific LTV and income default covenants. All loans are in compliance with their default covenants. We detail the headroom against those covenants in the latter two columns of the table below.

Lender	Property	Maturity date	Outstanding principal	Interest rate	Headroom LTV default covenant (%)	Headroom net income default covenant (%)
					(decline)	(decline)
VR Bank Westerwald	Stuttgart & Hamburg	31/12/2027	€18.00m	3.80%	No covenant	No covenant
BRED Banque Populaire	Paris	15/12/2027	€14.00m	3M Eur+1.9%	13%	>50%
Deutsche Pfandbriefbank	Berlin	30/06/2026	€9.94m	1.31%	>30%	>30%
ABN Amro	Alkmaar, Houten, Utrecht, Venray I & II	27/09/2028	€13.76m	5.30%	>40%	>30%
Landesbank SAAR	Rennes	26/03/2029	€8.60m	4.3%	17%	>40%
<b>Total</b>			<b>€64.30m</b>			

The German and Dutch loans are fixed-rate for the duration of the loan term.

The Paris loan is based on a margin above three-month Euribor. The Company benefits from an interest rate hedge, capped at 3.25%, which is covering the remaining loan period to 15 December 2027. The fair value of the derivative contract is c.€3,600 as at 30 September 2025.

## Outlook

While significant risks and uncertainties persist for both global and European growth, we expect economic sentiment to improve, primarily due to increased clarity surrounding tariff agreements and a moderation of geopolitical pressures. Nevertheless, we recognise that an end to the Russian conflict would provide the most significant positive impact on macroeconomic conditions and business sentiment. Despite the broader environment, occupational markets in key cities across Europe remain notably resilient, particularly in select sub-markets relevant to our operations.

Our strategy is focused on targeting growth cities and locations, underpinned by infrastructure improvements, constrained supply, diverse demand, and investments leased at sustainable rental levels. These factors should help to maintain liquidity and enhance the value of the majority of our portfolio. We are progressing lease re-gearing negotiations with principal tenants, including Nestlé, the State of Baden-Württemberg, and Stellantis. The successful completions of these will reduce risk across approximately 13% of the Company's income, thereby enhancing income quality, asset value, and liquidity.

The Company's outlook and strategic direction are in the short term shaped by the outcomes at Apeldoorn and the ongoing French tax matter. At Apeldoorn, our asset management programme is progressing, with options under consideration including sourcing a replacement tenant and seeking planning approval for alternative uses. The French tax claim currently remains beyond our direct influence; however, we retain the financial strength to address the matter should an unfavourable decision arise.

While we welcome the opportunity to work alongside our new future Chairman, Mr Phil Redding, developing a strategy focused on maximising shareholder value, we would also like to thank Sir Julian Berney for the significant contribution he has made to this Company over the past 10 years. During his term as Chair, Julian's guidance and support has played a vital role in developing Schroder European REIT's long-term strategy and we wish him all the best for the future.

**Jeff O'Dwyer**

Fund Manager

4 December 2025

## Principal risks and uncertainties

The Board is responsible for the Company's system of risk management and internal control, and for reviewing its effectiveness. The Board has adopted a detailed matrix of principal risks affecting the Company's business as an investment trust and has established associated policies and processes designed to manage and, where possible, mitigate those risks, which are monitored by the Audit, Valuation and Risk Committee on an ongoing basis. This system assists the Board in determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives. Both the principal risks and the monitoring system are also subject to robust review

at least annually. The last review took place in November 2025.

Although the Board believes that it has a robust framework of internal control in place, this can provide only reasonable, and not absolute, assurance against material financial misstatement or loss and is designed to manage, not eliminate, risk.

Attention is drawn to the following key risks, which have previously been reported on:

- There is a risk to sustaining the current level of dividends arising from the departure of the tenant KPN at Apeldoorn in December 2026. KPN has verbally confirmed their intention to issue their formal notice before 31 December 2025 to depart on lease expiry as at 31 December 2026. The manager is actively pursuing various initiatives to mitigate this impact, including sourcing a replacement tenant and / or selling the asset to redeploy capital elsewhere.
- There is an ongoing dispute with the French tax authorities and following the financial year-end, the Group received a payment demand amounting to c.€14.2 million, including interest and penalties. The Group maintains its position that this amount is not payable and has formally appealed the decision.

Further detail on both risks is set out below.

From an emerging risks and uncertainties perspective, the Board recognises and continues to be mindful of the changing global environment and the potential risks posed by volatile markets; inflation and corresponding interest rate changes; geopolitical uncertainty; structural changes; and occupier preferences which could affect the use and prospects of some real estate sectors. The Board receives regular updates on those macro risks from the Investment Manager. Overall, the diversification of the Company's portfolio, and its evolving strategy to place greater emphasis on sustainability-led asset improvements, is expected to help minimise the impact of these factors. The Board keeps these matters under review, particularly in connection with its decisions to redeploy investable cash.

The Company's property portfolio remains resilient, as evidenced by rent collection levels over the financial year. Loan covenants, interest rates, cost of debt and expiry profiles continue to be actively managed as part of cash flow forecasting and liquidity management. The Company has substantial cash available providing a robust position to manage the Company through current headwinds facing European economies.

During the year, the Board has reviewed the principal risks to ensure that identified risk and mitigating actions remain appropriate.

A summary of the principal risks and uncertainties faced by the Company, and the actions taken by the Board to manage and mitigate these risks and uncertainties, are set out below:

Principal risks	Mitigation of risk
<b>Investment and strategy</b> An inappropriate investment strategy, or failure to implement the strategy, could lead to underperformance in the property portfolio compared to the property market generally by incorrect sector or geographic weightings or a loss of income through tenant failure, both of which could lead to a fall in the value of the underlying portfolio.	<p>The Board seeks to mitigate these risks by:</p> <ul style="list-style-type: none"> <li>- Diversification of its property portfolio through its investment restrictions and guidelines which are monitored and reported on by the Investment Manager.</li> <li>- Receiving from the Investment Manager timely and accurate management information including performance data, attribution analysis, property level business plans and financial projections.</li> <li>- Monitoring the implementation and results of the investment process with the Investment Manager with a separate meeting devoted to strategy each year.</li> <li>- Determining a borrowing policy, and ensuring the Investment Manager operates within its borrowing restrictions and guidelines.</li> <li>- Reviewing marketing and distribution activity, and considering the use of a discount control mechanism as necessary.</li> <li>- Undertaking an annual review of the ongoing suitability of the Investment Manager.</li> </ul> <p>As previously announced, the key binary risk to sustaining the current level of dividends remains the shortening lease term with KPN in Apeldoorn, the Netherlands, expiring in December 2026. The building is leased to the Dutch telecommunications company KPN, generating c. €3 million of rent p.a. with expiry in December 2026. The asset accounts for 6% of the portfolio's total value and 19% of rent. Independent valuers have determined the market value based on the present value of the remaining income and land value. KPN has verbally confirmed their intention to issue their formal notice before 31 December 2025 to depart on lease expiry as at 31 December 2026. The manager is actively pursuing various initiatives to mitigate this impact, including sourcing a replacement tenant and/or selling the asset to redeploy capital elsewhere.</p>
<b>Regulatory and tax compliance</b> The Company has to comply with a wide range of legislation and regulations, covering tax, planning, building regulations,	<p>The Board has appointed the Investment Manager as its Alternative Investment Fund Manager ("AIFM") in accordance with the Alternative Investment Fund Managers Directive ("AIFMD").</p> <p>The Investment Manager monitors legal requirements to ensure that adequate procedures and reminders are in place to meet the Company's legal requirements and obligations. The Investment Manager undertakes</p>

health and safety, Company law, accounting, reporting and Listing Rules.

## Principal risks

## Mitigation of risk

**Mitigation of risk** with advisors when transacting and managing the Company's assets. All contracts entered into by the Company are reviewed by the Company's legal and other advisors.

The Board is satisfied that the Investment Manager has adequate procedures in place to ensure continued compliance with the regulatory requirements of the Financial Conduct Authority, the UK Listing Rules of the London Stock Exchange and any other required authority. The Investment Manager has retained external tax advisers, who are overseen by the Schroders' tax team, to ensure compliance with relevant local tax regulations.

With regard to tax, the Group operates in a number of jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. The tax impact can be uncertain until a conclusion is reached with the relevant tax authority. The Group addresses this uncertainty by closely monitoring tax developments, seeking independent advice, and maintaining transparency with the authorities it deals with as and when any enquiries are made.

As previously reported, the French tax authorities have issued a notice of adjustment in respect of the tax years 2021 to 2023 and the Group has received a payment demand amounting to c.€14.2 million, including interest and penalties. In accordance with the requirements of the French tax authorities, the Group has arranged a bank guarantee of approximately €12.2 million, reflecting the requirement for coverage by guarantee of the principal tax amount only.

The Group maintains its position that this amount is not payable and has formally appealed the decision. This appeal, submitted as a claim to the French Tax Authority, is expected to be reviewed within a six-month period. If the claim is dismissed, the Group would escalate the matter to a formal court process, which could take up to two years to resolve.

Having taken professional advice, the Board remains of the opinion that the Group's position is ultimately more likely than not to prevail, such that a net outflow is not probable, and hence no tax provision has been recognised. Pending resolution of the matter, the Board considers it prudent to ring-fence €14.2m (being the amount of the guarantee plus potential interest and penalties) from its other cash reserves. This is set out in further detail in note 10 of this Annual Report.

## Economic and property market

The performance of the Company could be affected by economic, currency and property market risk. In the wider economy this could include inflation, stagflation or deflation (including in respect of costs such as construction costs and operating expenses), economic recessions, movements in foreign exchange and interest rates or other external shocks. The performance of the underlying property portfolio could also be affected by structural or cyclical factors impacting particular sectors (for example, retail) or regions of the property market and counterparty solvency.

The Board considers economic conditions and the uncertainty around political events when considering investment decisions. The Board mitigates property market risk through the review of the Company's strategy on a regular basis and discussions are held to ensure the strategy is still appropriate or if it needs updating. Diversification of the majority of the portfolio across the office and industrial/logistics sectors in growth cities, and a focus on functional and affordable space, provides defensive characteristics.

The portfolio also benefits from a high percentage (approximately 100%) of inflation-linked leases which contributes to rental growth and mitigates value declines.

The assets of the Company are almost all denominated in non-sterling currencies, predominantly the euro. No currency hedging is planned, but the Board continues to consider the hedging of dividend payments having regard to availability and cost.

## Valuation

Property valuations are inherently subjective and uncertain, due to the individual nature of each property and its liquidity, particularly under stressed market conditions.

Valuations also include annual reinstatement costs for insurance purposes. Inflation and availability of goods and services, could heighten the risk around correct reinstatement values and completion programs.

An external valuer provides an independent valuation of all assets at least quarterly. The Audit, Valuation and Risk Committee includes two experienced chartered surveyors. Members of the Audit, Valuation and Risk Committee meet with the external valuers to discuss the basis of their valuations, and their quality control processes, on a quarterly basis.

## Gearing and leverage

The Company utilises credit facilities. These arrangements increase the funds available for investment through borrowing. While this has the potential to

Gearing, including loan covenant compliance, is monitored at quarterly Board meetings, and ad hoc as required, and strict restrictions on borrowings are imposed both internally and by lenders. The overall cost of debt is regularly reviewed with any new debt or refinancing presented to the Schroders Real Estate Investment Committee and Board for approval.

Principal risks	Mitigation of risk
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rising markets, in falling markets the impact and availability of financing could be detrimental to performance, and may also result in potential non-compliance with loan covenants or refinancing risk.	
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### **Risk assessment and internal controls**

Risk assessment includes consideration of the scope and quality of the systems of internal control operating within key service providers, and ensures regular communication of the results of monitoring by such providers to the Audit, Valuation and Risk Committee, including the incidence of significant control failings or weaknesses that have been identified at any time and the extent to which they have resulted in unforeseen outcomes or contingencies that may have a material impact on the Company's performance or condition.

No significant control failings or weaknesses were identified from the Audit, Valuation and Risk Committee's ongoing risk assessment which has been in place throughout the financial year and up to the date of this report. The Board is satisfied that it has undertaken a detailed review of the risks facing the Company.

A full analysis of the financial risks facing the Company and its subsidiaries is set out in note 23.

### **Viability statement**

The Board is required to give a statement on the Company's viability which considers the Company's current position and principal risks and uncertainties together with an assessment of future prospects.

The Board conducted this review over a five-year time horizon commencing from the date of this report which is selected to match the period over which the Board monitors and reviews its financial performance and forecasting. The Investment Manager prepares five-year total return forecasts for the Continental European commercial real estate market. The Investment Manager uses these forecasts as part of analysing acquisition opportunities as well as for its annual asset-level business planning process. The Board receives an overview of the asset-level business plans which the Investment Manager uses to assess the performance of the underlying portfolio and therefore make investment decisions such as disposals and investing capital expenditure. The Company's principal borrowings are for a weighted duration of 2.3 years and the average unexpired lease term to break, assuming all tenants vacate at the earliest opportunity, is 4.0 years.

The Board's assessment of viability considers the principal risks and uncertainties faced by the Company, as detailed in the Strategic Review in the full Annual Report and Accounts, which could negatively impact its ability to deliver the investment objective, strategy, liquidity and solvency. This includes consideration of scenario stress testing and a cash flow model prepared by the Investment Manager that analyses the sustainability of the Company's cash flows, dividend cover, compliance with bank covenants, general liquidity requirements and potential legal and regulatory change for a five-year period.

These metrics are subject to a sensitivity analysis which involves flexing a number of the main assumptions including macroeconomic scenarios, delivery of specific asset management initiatives, rental growth and void/re-letting assumptions. The Board also reviews assumptions regarding capital recycling and the Company's ability to refinance or extend financing facilities. Steps which are taken to mitigate these risks as set out in the Strategic Review in the full Annual Report and Accounts are also taken into account.

Based on the assessment, and having considered in detail base and downside scenarios modelling, the Directors have concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five-year period of their assessment.

### **Going concern**

The Board believes it is appropriate to adopt the going concern basis in preparing the financial statements. A comprehensive going concern statement setting out the reasons the Board considers this to be the case is set out in note 1.

By order of the Board

**Sir Julian Berney Bt.**

Chairman

4 December 2025

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and the Company financial statements in accordance with UK-adopted international accounting standards and applicable law. Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions, and disclose with reasonable accuracy at any time the financial position of the Group and Company, and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Investment Manager is responsible for the maintenance and integrity of the Company's web pages. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Directors' confirmations

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Directors' Report, confirm that, to the best of their knowledge:

- the Group and Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board

**Sir Julian Berney Bt.**

Chairman

4 December 2025

#### Consolidated and Company Statements of Comprehensive Income

For the year ended 30 September 2025

	Note	Group year to 30/09/25 €'000	Group year to 30/09/24 €'000	Company year to 30/09/25 €'000	Company year to 30/09/24 €'000
Rental and service charge income	3	20,151	20,647	-	-
Property operating expenses	4	(6,272)	(5,602)	-	-
<b>Net rental and related income</b>		<b>13,879</b>	<b>15,045</b>	-	-
Net loss from fair value adjustment on investment property	13	(3,013)	(7,740)	-	-
Loss on sale of investment property		(27)	-	-	-
Development revenue	14	231	1,500	-	-
Development expense	14	(18)	(695)	-	-
Realised gain/(loss) on foreign exchange		(10)	4	(10)	4
Net change in fair value of financial instruments at fair value through profit or		(232)	(494)	-	-

		Group	Group	Company	Company
		year to	year to	year to	year to
		30/09/25	30/09/24	30/09/25	30/09/24
		€'000	€'000	€'000	€'000
Management fee income	5				
Provision of investment made in subsidiaries	15				
Dividends received	8	-	-	1,265	2,322
<b>Expenses</b>					
Investment management fee	5	(1,803)	(1,899)	(1,803)	(1,899)
Valuer's and other professional fees		(848)	(719)	(371)	(217)
Administrator's and accounting fees		(512)	(586)	(112)	(120)
Auditor's remuneration and assurance fees	7	(344)	(347)	(301)	(306)
Directors' fees	9	(204)	(239)	(204)	(239)
Other expenses	9	(699)	(540)	(396)	(418)
<b>Total expenses</b>		<b>(4,410)</b>	<b>(4,330)</b>	<b>(3,187)</b>	<b>(3,199)</b>
<b>Operating profit/(loss)</b>		<b>6,400</b>	<b>3,290</b>	<b>(539)</b>	<b>487</b>
Finance income		411	654	2,257	2,407
Finance costs		(2,663)	(2,596)	-	-
<b>Net finance (costs)/income</b>		<b>(2,252)</b>	<b>(1,942)</b>	<b>2,257</b>	<b>2,407</b>
<b>Profit before taxation</b>		<b>4,148</b>	<b>1,348</b>	<b>1,718</b>	<b>2,894</b>
Taxation	10	(1,919)	(773)	(446)	-
<b>Profit for the year</b>		<b>2,229</b>	<b>575</b>	<b>1,272</b>	<b>2,894</b>
<b>Total comprehensive income for the year</b>		<b>2,229</b>	<b>575</b>	<b>1,272</b>	<b>2,894</b>
<b>Basic and diluted earnings per share attributable to owners of the parent</b>	11	<b>1.7c</b>	<b>0.4c</b>	<b>-</b>	<b>-</b>

All items in the above statement are derived from continuing operations. The accompanying notes 1 to 29 form an integral part of the financial statements.

## Consolidated and Company Statements of Financial Position

As at 30 September 2025

	Note	Group 30/09/25	Group 30/09/24	Company 30/09/25	Company 30/09/24
		€'000	€'000	€'000	€'000
<b>Assets</b>					
<b>Non-current assets</b>					
Investment property	13	192,514	206,522	-	-
Investment in subsidiaries	15	-	-	69,946	69,921
Receivables from subsidiaries		-	-	52,948	55,507
<b>Non-current assets</b>		<b>192,514</b>	<b>206,522</b>	<b>122,894</b>	<b>125,428</b>
<b>Current assets</b>					
Trade and other receivables	17	10,877	10,026	1,765	909
Interest rate derivative contracts		4	236	-	-
Cash and cash equivalents	18	28,362	27,362	12,070	18,165
<b>Current assets</b>		<b>39,243</b>	<b>37,624</b>	<b>13,835</b>	<b>19,074</b>
<b>Total assets</b>		<b>231,757</b>	<b>244,146</b>	<b>136,729</b>	<b>144,502</b>
<b>Equity</b>					
Share capital	19	17,966	17,966	17,966	17,966
Share premium	19	43,005	43,005	43,005	43,005
Treasury share reserve	19	(1,815)	-	-	-
Retained earnings/(accumulated losses)		97,499	103,126	74,603	83,002
<b>Total equity</b>		<b>156,655</b>	<b>164,097</b>	<b>135,574</b>	<b>143,973</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	20	54,081	70,471	-	-
Deferred tax liability	10	4,278	4,163	-	-
<b>Non-current liabilities</b>		<b>58,359</b>	<b>74,634</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Interest-bearing loans and borrowings	20	9,938	-	-	-
Trade and other payables	21	5,840	4,955	1,155	529
Current tax liabilities	10	965	460	-	-
<b>Current liabilities</b>		<b>16,743</b>	<b>5,415</b>	<b>1,155</b>	<b>529</b>
<b>Total liabilities</b>		<b>75,102</b>	<b>80,049</b>	<b>1,155</b>	<b>529</b>
<b>Total equity and liabilities</b>		<b>231,757</b>	<b>244,146</b>	<b>136,729</b>	<b>144,502</b>
<b>Net asset value per ordinary share</b>	22	<b>119.2</b>	<b>122.7</b>	<b>101.4</b>	<b>107.7</b>

The financial statements in the full Annual Report and Accounts were approved at a meeting of the Board of Directors held on 4 December 2025 and signed on its behalf by:

**Sir Julian Berney Bt.**

Chairman

The accompanying notes 1 to 29 form an integral part of the financial statements.

Registered in England and Wales as a public company limited by shares.

**Consolidated and Company Statements of Changes in Equity****For the year ended 30 September 2025**

Group	Note	Share capital €'000	Share premium €'000	Treasury share reserve €'000	(Accumulated losses)/ Retained earnings €'000	Other reserves €'000	Total equity €'000
<b>Balance as at 1 October 2023</b>		17,966	43,005	-	(6,142)	116,610	171,439
Transfers		-	-	-	116,610	(116,610)	-
Profit for the year		-	-	-	575	-	575
Other comprehensive income/(loss) for the year		-	-	-	-	-	-
Dividends paid	12	-	-	-	(7,917)	-	(7,917)
<b>Balance as at 30 September 2024</b>		17,966	43,005	-	103,126	-	164,097
Share buyback		-	-	(1,815)	-	-	(1,815)
Profit for the year		-	-	-	2,229	-	2,229
Other comprehensive income/(loss) for the year		-	-	-	-	-	-
Dividends paid	12	-	-	-	(7,856)	-	(7,856)
<b>Balance as at 30 September 2025</b>		17,966	43,005	(1,815)	97,499	-	156,655

Company	Note	Share capital €'000	Share premium €'000	Treasury share reserve €'000	(Accumulated losses)/ Retained earnings <sup>1</sup> €'000	Other reserves <sup>1</sup> €'000	Total equity €'000
<b>Balance as at 1 October 2023</b>		17,966	43,005	-	(28,818)	116,843	148,996
Transfers		-	-	-	116,843	(116,843)	-
Profit for the year		-	-	-	2,894	-	2,894
Other comprehensive income/(loss) for the year		-	-	-	-	-	-
Dividends paid	12	-	-	-	(7,917)	-	(7,917)
<b>Balance as at 30 September 2024</b>		17,966	43,005	-	83,002	-	143,973
Share buyback		-	-	(1,815)	-	-	(1,815)
Profit for the year		-	-	-	1,272	-	1,272
Other comprehensive income/(loss) for the year		-	-	-	-	-	-
Dividends paid	12	-	-	-	(7,856)	-	(7,856)
<b>Balance as at 30 September 2025</b>		17,966	43,005	(1,815)	76,418	-	135,574

1 These reserves form the distributable reserves of the Company and include a historic share premium reduction and may be used to fund distribution of profits to investors via dividend payments.

The accompanying notes 1 to 29 form an integral part of the financial statements.

**Consolidated and Company Statements of Cash Flows****For the year ended 30 September 2025**

	Note	Group 30/09/25 €'000	Group 30/09/24 €'000	Company 30/09/25 €'000	Company 30/09/24 €'000
<b>Operating activities</b>					
Profit before tax for the year		4,148	1,348	1,718	2,894
Adjustments for:					
Loss on sale of investment property		27	-	-	-
Net gain from fair value adjustment on investment property	13	3,013	7,740	-	-
Realised foreign exchange loss/(gain)		10	(4)	10	(4)
Provision of investment made in subsidiaries	15	-	-	-	50
Finance income		(411)	(654)	(2,257)	(2,407)
Finance costs		2,663	2,596	-	-

		Group 30/09/25	Group 30/09/24	Company 30/09/25	Company 30/09/24
Net change in fair value of financial instruments through profit or loss		€000	€000	€000	€000
Dividend income classified as investing cash flows	Note	€000	€000	(1,000)	(2,000)
<b>Operating cash generated from/(used in) before changes in working capital</b>		<b>9,682</b>	<b>11,520</b>	<b>(1,794)</b>	<b>(1,789)</b>
(Increase)/decrease in trade and other receivables		(853)	(627)	(1,033)	276
Increase/(decrease) in trade and other payables		975	(167)	626	(497)
<b>Cash generated from operations</b>		<b>9,804</b>	<b>10,726</b>	<b>(2,201)</b>	<b>(2,010)</b>
Finance costs paid		(2,640)	(2,145)	-	-
Finance income received		411	654	1,701	4,598
Tax paid		(1,299)	(1,345)	(446)	-
<b>Net cash generated from/(used in) operating activities</b>		<b>6,276</b>	<b>7,890</b>	<b>(946)</b>	<b>2,588</b>
<b>Investing activities</b>					
Proceeds from sale of investment property	13	11,800	-	-	-
Investment property disposal costs	13	(227)	-	-	-
Capital expenditure additions		(605)	(1,682)	-	-
Loans to subsidiary companies		-	-	-	(2,200)
Loan repayment from subsidiary companies		-	-	3,292	9,820
Investment in subsidiary companies	15	-	-	(25)	-
Dividends received		-	-	1,265	2,322
<b>Net cash generated from/(used in) from investing activities</b>		<b>10,968</b>	<b>(1,682)</b>	<b>4,532</b>	<b>9,942</b>
<b>Financing activities</b>					
Repayment of borrowings	20	(6,563)	(3,000)	-	-
Interest rate derivative contracts purchased		-	(56)	-	-
Repayment of loan		-	(322)	-	-
Share buyback		(1,815)	-	(1,815)	-
Dividends paid	12	(7,856)	(7,917)	(7,856)	(7,917)
<b>Net cash used in financing activities</b>		<b>(16,234)</b>	<b>(11,295)</b>	<b>(9,671)</b>	<b>(7,917)</b>
<b>Net increase/(decrease) in cash and cash equivalents for the year</b>		<b>1,010</b>	<b>(5,087)</b>	<b>(6,085)</b>	<b>4,613</b>
Opening cash and cash equivalents		27,362	32,445	18,165	13,548
Effects of exchange rate change on cash		(10)	4	(10)	4
<b>Closing cash and cash equivalents</b>		<b>28,362</b>	<b>27,362</b>	<b>12,070</b>	<b>18,165</b>

The accompanying notes 1 to 29 form an integral part of the financial statements.

## Notes to the Financial Statements

### 1. Significant accounting policies

Schroder European Real Estate Investment Trust plc (the 'Company') is a closed-ended investment company incorporated in the United Kingdom. The consolidated financial statements of the Company for the year ended 30 September 2025 comprise those of the Company and its subsidiaries (together referred to as the 'Group'). The Group holds a portfolio of investment properties in continental Europe. The shares of the Company are listed on the London Stock Exchange (primary listing) and Johannesburg Stock Exchange Limited (secondary listing). The registered office of the Company is 1 London Wall Place, London, England EC2Y 5AU.

### Statement of compliance

The consolidated financial statements of the Group and Company financial statements have been prepared under the UK-adopted 'International Accounting Standards in accordance with the Companies Act 2006'.

The financial statements give a true and fair view and are in compliance with applicable legal and regulatory requirements and the Listing Rules of the UK and JSE Listing Authority.

### Basis of preparation

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and the Company financial statements in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006.

The financial statements are presented in euros, rounded to the nearest thousand. They are prepared on a going concern basis, applying the historical cost convention, except for the measurement of investment property and derivative financial instruments that have been measured at fair value.

The accounting policies have been consistently applied to the results, assets, liabilities and cash flows of the entities included in the consolidated financial statements.

### Going concern

The Directors have examined significant areas of possible financial risk including: cash held and the liquidity of the



The Directors have examined significant areas of possible financial risk including: cash held and the liquidity of the Group's assets; forward-looking compliance with third-party debt covenants, in particular the loan to value ('LTV') covenant and interest cover ratios; the likelihood of any payment of contingent tax liabilities; potential falls in property valuations; the non-collection of rent and service charges; and the existing, and future, anticipated cash requirements of the Group.

Furthermore, ongoing geopolitical developments, and macroeconomic variables such as projected interest rates and inflation, have also been considered regarding the Group's property investments in France, Germany and the Netherlands.

Cash flow forecasts, based on deemed plausible downside scenarios, have led the Board to conclude that the Group will have sufficient cash reserves to continue in operation for twelve months from the date of the signing of the annual report.

The Group has five loans secured by individual assets, with no cross-collateralisation. All loans are in compliance with their debt covenants. More details of the individual loans, and headroom on the LTV and net income default covenants, is provided in the full Annual Report and Accounts.

The Group has one loan, a Deutsche Pfandbriefbank facility secured against the Berlin property, maturing in June 2026, which falls within the 12-month going concern assessment period. The Directors have considered this upcoming maturity in their assessment and expect to either refinance or source new financing arrangements prior to maturity. Accordingly, the Directors do not consider this to give rise to a material uncertainty regarding the Group's ability to continue as a going concern.

After due consideration, the Directors have not identified any material uncertainties which would cast significant doubt on the Group's ability to continue as a going concern for a period of not less than 12 months from the date of the approval of the consolidated annual report and financial statements, which would be 31 December 2026. The Directors have satisfied themselves that the Group has adequate resources to continue in operational existence for the foreseeable future.

### **Use of estimates and judgements**

The preparation of financial statements under the UK-adopted international accounting standards, in conformity with the Companies Act 2006, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The most significant estimates made in preparing these financial statements relate to the carrying value of investment properties, as disclosed in note 13, which are stated at fair value. The fair value of investment property is inherently subjective because, in the absence of readily-observable market data, the valuer has to make professional judgements on valuation inputs. The Group uses an external professional valuer to determine the relevant amounts.

The following are other areas of estimates and judgements:

- Tax provisioning and disclosure: Management uses external tax advisers to monitor changes in tax laws in countries where the Group has operations. New tax laws that have been substantively enacted are recognised in the Group's and Company's financial statements. The Group is also subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. Where changes to tax laws or challenges by local tax authorities give rise to a potential contingent liability, the Group discloses the estimated amounts appropriately within the notes to the financial statements (further details are disclosed in note 10).
- IFRS 9 expected credit losses: All receivables, inter-company loans are financial assets and must therefore be assessed for impairment using the forward-looking expected credit loss model. Where an impairment is identified, appropriate recognition is required in the consolidated statement of comprehensive income, together with appropriate disclosure and sensitivity analysis in the notes to the financial statements. These judgements were also considered within the impairment in the investments held in subsidiaries for the parent Company.

### **Basis of consolidation**

#### *Subsidiaries*

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries drawn up to 30 September each year. Subsidiaries are those entities, including special purpose entities, controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its

involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Where properties are acquired by the Group through corporate acquisitions, but the acquisition does not meet the definition of a business combination, the acquisition is treated as an asset acquisition.

#### *Transactions eliminated on consolidation*

Intra-group balances, and any gains and losses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Gains arising from transactions with joint ventures are eliminated to the extent of the Group's interest in the entity. Losses are eliminated in the same way as gains but only to the extent that there is no evidence of impairment.

#### **Investment property**

Investment property comprises land and buildings held to earn rental income together with the potential for capital growth.

Acquisitions and disposals are recognised on an unconditional exchange of contracts. Acquisitions are initially recognised at cost, being the fair value of the consideration including any transaction costs associated with the investment property.

After initial recognition, investment properties are measured at fair value with unrealised gains and losses recognised in profit or loss. Realised gains and losses on the disposal of properties are recognised in profit or loss in relation to the carrying value at the beginning of the accounting period. Fair value is based on the market valuations of the properties as provided by a firm of independent chartered surveyors at the reporting date. Market valuations are carried out on a quarterly basis.

As disclosed in note 24, the Group leases out all owned properties on operating leases which are classified and accounted for as an investment property where the Group holds it to earn rentals, capital appreciation, or both. Any such property leased under an operating lease is classified as an investment property and carried at fair value.

Please refer to note 13 for disclosure of key inputs, assumptions and sensitivities with respect to the fair valuation of investment properties.

#### **Prepayments**

Prepayments are carried at cost and released to the statement of comprehensive income on a straight-line basis.

#### **Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Rental income, including prepayments, received under operating leases (net of any incentives granted by the lessor) are recognised in the statement of comprehensive income on a straight-line basis over the period of the lease. Properties leased out under operating leases are included as investment properties in the consolidated statement of financial position (note 13).

#### **Financial assets and liabilities**

##### *Non-derivative financial assets and liabilities*

Non-derivative financial assets are measured at amortised cost less impairment whereas financial liabilities are measured at amortised cost. The Group calculates impairment provisions for non-derivative financial assets based on lifetime expected credit losses under IFRS 9.

##### *Cash and cash equivalents*

Cash at bank, and short-term deposits that are held to maturity, are carried at amortised cost. Cash and cash equivalents are defined as cash in hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents comprise of cash in hand and short-term deposits at banks with an original term of three months or less.

The cash and cash equivalents are freely available unless otherwise disclosed.

##### *Restricted cash*

Cash balances that are not available for general use by the Group are classified as restricted cash. These balances typically relate to amounts held in escrow, debt service reserve accounts, or other arrangements required under loan agreements or regulatory obligations. Restricted cash is carried at amortised cost and excluded from the definition of cash and cash equivalents in the statement of cash flows.

#### *Loans and borrowings*

Borrowings are recognised initially at the fair value of the consideration received less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the borrowings on an effective interest basis.

Borrowing costs such as arrangement fees are capitalised and amortised over the loan term.

#### **Derivative financial assets and liabilities**

Derivative financial assets and liabilities comprise interest rate caps for hedging purposes (economic hedge). These are recognised at fair value, with the revaluation gains or losses immediately recorded in the statement of comprehensive income.

#### **Share capital**

Ordinary shares, including treasury shares, are classified as equity when there is no obligation to transfer cash or other assets. The Company's accounting policy is to fix the share capital at the spot rate at the date of issue. The Company does not retranslate its share capital at the end of each reporting period.

#### **Share premium**

Share premium represents the excess of proceeds received over the nominal value of new shares issued. The Company's accounting policy is to fix the share premium at the spot rate at the date of issue. The Company does not retranslate its share premium at the end of each reporting period.

#### **Share buyback**

Shares purchased are recognised on the trade date and debited to the treasury share reserve in the Statement of Changes in Equity. Any broker's fees relating to the share buyback are debited to other expenses.

#### **Other reserves**

Other reserves consist of a share premium reduction reserve arising from the conversion of share premium into a distributable reserve.

#### **Dividends**

Final dividends to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

#### **Impairment**

##### *Investments*

The carrying amounts of the Group's and Company's investments, other than investment property but including joint ventures and investments held in subsidiaries, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss.

#### **Revenue**

##### *Rental income*

Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Where a rent incentive fits the definition of a lease modification under IFRS 16, the cost of incentives is recognised over the remaining lease term starting from the effective date of the lease modification, on a straight-line basis, as a reduction of rental income.

##### *Service charges*

These include income in relation to service charges, directly recoverable expenditure and management fees. Revenue

from services is recognised over time, as the services are rendered, reflecting the ongoing transfer of control, including where services are delivered by third-party service providers.

### **Finance income and costs**

Finance income comprises interest income on funds invested that are recognised in the statement of comprehensive income. Finance income is recognised on an accruals basis.

Finance costs comprise interest expenses on borrowings that are recognised in the statement of comprehensive income. Attributable transaction costs incurred in establishing the Group's credit facilities are deducted from the fair value of borrowings on initial recognition and are amortised over the lifetime of the facilities through profit or loss. Finance expenses are accounted for on an effective interest basis.

### **Expenses**

All expenses are accounted for on an accruals basis. They are recognised in the statement of comprehensive income in the year in which they are incurred on an accruals basis.

### **Taxation**

The Company and its subsidiaries are subject to income tax on any income arising on investment properties after deduction of debt financing costs and other allowable expenses.

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### **Segmental reporting**

The Directors are of the opinion that the Group is engaged in a single segment of business, being property investment, and in one geographical area, continental Europe. The chief operating decision-maker is considered to be the Board of Directors who are provided with consolidated IFRS information on a quarterly basis.

### **Foreign currency translation**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency').

The functional currency of all the entities in the Group is the euro, as this is the currency in which the majority of investment takes place and in which the majority of income and expenses are incurred. The financial statements are also presented in euros.

Foreign currency transactions are translated into euros using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the statement of comprehensive income.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the presentational currency using the exchange rate prevailing at that date. Foreign exchange differences arising on translation to the presentation currency are taken to the consolidated statement of comprehensive income.

## **2. New standards and interpretations**

### **New standards and interpretations adopted by the Group**

In the current year, the Group has applied one new standard and amendment to IFRS Accounting Standards issued by the International Accounting Standards Board ('IASB') which is mandatorily effective for an accounting period that begins on or after 1 October 2024. The adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

These new standards and amendments are listed below:

- Amendments to IAS 21 - Lack of exchangeability

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

into IFRS accounting standards that have been issued but are not yet effective.

- IFRS 18 - Presentation and Disclosures in the Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability disclosures
- Amendments to IFRS 9 and IFRS 7 on Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- Annual Improvements to IFRS - Volume 11

The Directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Group in future periods.

### 3. Rental and service charge income

	Group 30/09/2025 €'000	Group 30/09/2024 €'000	Company 30/09/2025 €'000	Company 30/09/2024 €'000
Rental income	16,007	16,385	-	-
Service charge income	4,144	4,262	-	-
	<b>20,151</b>	<b>20,647</b>	<b>-</b>	<b>-</b>

Service charge income is charged in addition to rent payments to cover the landlord's costs. Factors such as the size of the asset, number of occupants, occupancy rates and purpose of the asset can affect the amount and timing of revenue and cash flows.

The Group has concluded that it transfers control of these services over time, as services are rendered by the third party service providers, because this is when tenants receive and, at the same time, consume the benefits from these services.

The service charge receivable amounts to €3,272,000 (2024: €3,972,000). Payment of service charge income from tenants is impacted by the timing of service charge reconciliations by property managers.

### 4. Property operating expenses

	Group 30/09/2025 €'000	Group 30/09/2024 €'000	Company 30/09/2025 €'000	Company 30/09/2024 €'000
Repairs and maintenance	2,655	2,750	-	-
Service charge, insurance and utilities on vacant units	1,445	670	-	-
Real estate taxes	1,383	1,474	-	-
Property management fees	320	375	-	-
Other	469	333	-	-
	<b>6,272</b>	<b>5,602</b>	<b>-</b>	<b>-</b>

All the above amounts relate to either service charge or property operating expenses recoverable from tenants, except for €2,128,000 (2024: €1,340,000) attributable to non-recoverable landlord expenses. The increase in 2025 is due to non-recoverable costs exceeding expectations, primarily arising from the completion of service charge reconciliations carried out subsequent to year end for prior periods.

### 5. Material agreements

Schroder Real Estate Investment Management Limited ('SREIM') is the Investment Manager to the Company. The Investment Manager is entitled to a fee together with reasonable expenses incurred in the performance of its duties. The fee is payable monthly in arrears and shall be an amount equal to one 12th of the aggregate of 1.1% of the EPRA NAV of the Group. The Investment Management Agreement can be terminated by either party on not less than 12 months' written notice, such notice not to expire earlier than the third anniversary of admission, or on immediate notice in the event of certain breaches of its terms or the insolvency of either party. The total charge to profit or loss during the year was €1,803,000 (2024: €1,899,000). At the year end €579,000 (2024: €140,000) was outstanding.

SREIM charges accounting services to the Company with a minimum contracted annual charge of €81,000 (£70,000). The total charge to the Company was €112,000 (2024: €102,000). At the year end €30,000 (2024: €8,000) was outstanding. SREIM also charged accounting services to the subsidiaries registered in Luxembourg at a contracted annual charge of €135,000 up until 10 March 2024. These fees were included in administrator's and accounting fees in the Consolidated Statement of Comprehensive Income. Effective 11 March 2024, CBRE Investment Accounting & Reporting Solutions (IA&R) was formally engaged to provide accounting services to the Luxembourg subsidiaries, and their fees are included within administrators' and accounting fees.

SREIM provides administrative and company secretarial services to the Group with a contracted annual charge of €58,000 (£50,000). The total charge to the Group was €58,000 (2024: €58,000). These are included in administrator's and accounting fees in the consolidated statement of comprehensive income. At the year end €19,000 (2024: €5,000) was outstanding.

Details of Directors' fees are disclosed in note 9.

The Company received management fees of €1,393,000 (2024: €1,410,000) from subsidiary companies during the year. The amounts recharged to subsidiaries and outstanding are provided in the following table.

Subsidiary	Fees recharged in the year to 30 September €'000		Fees outstanding as at 30 September €'000	
	2025	2024	2025	2024
SCI SEREIT Rumilly	67	48	19	12
SAS Clarity Développement	103	375	2	189
SEREIT Berlin DIY Sàrl	170	134	47	34
SEREIT Hamburg Sàrl	127	109	34	55
SEREIT Stuttgart Sàrl	112	89	31	22
SEREIT Frankfurt Sàrl	40	56	-	14
SCI SEREIT Directoire	231	182	62	46
SEREIT Apeldoorn Sàrl	78	70	21	17
SEREIT UV Sàrl	172	121	47	31
SEREIT Alkmaar Sàrl	60	54	19	13
SCI SEREIT Pleudihen	136	91	33	46
SCI SEREIT Nantes	39	29	11	15
SCI LC Invest	40	34	12	17
SEREIT Holdings Sàrl	18	18	5	5
<b>Total</b>	<b>1,393</b>	<b>1,410</b>	<b>343</b>	<b>516</b>

#### 6. Provision of loan made to Seville joint venture

The Seville entity, which owned a shopping centre in Seville, was sold for €1 on 30 January 2025. The Group previously owned 50% of the Metromar entity through a joint venture and had advanced €10.0 million as a loan and was owed interest of €2.5 million (30 September 2024: €2.4 million). The loan carried a fixed interest rate of 4.37% per annum payable quarterly. The loan had previously been fully impaired and was written off on the sale of the Seville entity. No gain or loss has been recognised.

#### 7. Auditor's remuneration and assurance fees

The Group's total audit fees for the year are €344,000 (2024: €347,000) which includes the Group audit and the individual statutory audits. The Company's total audit fees for the year were €301,000 (2024: €244,000) which only covers the Group audit.

The interim review fee was €51,700 (2024: €52,100) which is an assurance related non-audit service and is included in the total auditor's remuneration for the year. The auditor did not perform any other non-audit services for the Group during the year (2024: €Nil).

#### 8. Dividends received

During the year the Group did not receive any dividends from its joint venture operation Urban SEREIT Holdings Spain S.L. (2024: €Nil) (see note 16).

During the year the Company received dividends from its subsidiary undertakings. €1,265,000 (2024: €722,000) was received from OPPCI SEREIT France, €Nil (2024: €Nil) was received from SEREIT Holdings France and €Nil (2024: €1,600,000) was received from SAS Clarity Development.

#### 9. Other expenses

	Group 30/09/2025 €'000	Group 30/09/2024 €'000	Company 30/09/2025 €'000	Company 30/09/2024 €'000
Directors' and officers' insurance premium	12	14	12	14
Bank charges	81	71	9	9
Regulatory costs	111	73	89	51
Marketing	46	83	46	83
Other expenses	449	299	240	261
	<b>699</b>	<b>540</b>	<b>396</b>	<b>418</b>

Directors are the only officers of the Company and there are no other key personnel. The Group has one employee; for further details see note 28. The Directors' annual remuneration for services to the Group was €153,000 (2024: €215,000), as set out in the Directors' Remuneration Report in the full Annual Report and Accounts. The total charge for Directors' fees was €204,000 (2024: €239,000), which included employer's National Insurance contributions. Other expenses include items such as domiciliation fees and registrar fees.

#### 10. Taxation

	30/09/2025 €'000	30/09/2024 €'000
Current tax charge	1,340	1,017
Current tax adjustment in respect of prior periods	464	(182)
Deferred tax (credit)/charge	115	(62)
<b>Tax expense/(credit) in year</b>	<b>1.919</b>	<b>773</b>

	30/09/2025	30/09/2024
<b>Reconciliation of effective tax rate</b>		
Profit before taxation	€000	€000
Effect of:		
Tax charge at weighted average corporation tax rate of 23.90% (2024: 23.40%)	1,166	468
Tax exempt income or non-deductible losses	(224)	185
Tax adjustment on net revaluation loss	299	543
Capital gains tax	361	-
Minimum Luxembourg tax charges	38	84
Current year losses for which no deferred tax is recognised	61	-
Tax effect of property depreciation	(396)	(468)
Tax adjustment in respect of prior periods	464	(182)
Tax effect on disallowable expense	162	-
Other permanent differences	(12)	143
<b>Total tax expense in the year</b>	<b>1,919</b>	<b>773</b>

The effective tax rate is a weighted average of the applicable tax rates in the countries the Group has operations. As at 30 September 2025, the deferred tax liability is €4,278,000 (2024: €4,163,000). A potential deferred tax asset of €3,052,000 (2024: €1,741,000) arose on tax losses which has not been provided for.

SEREIT plc has elected to be treated as a société d'investissement immobilier cotée ('SIIC') for French tax purposes. Provided that SEREIT plc meets certain requirements, the SIIC should be exempt from French CIT on net rental income and gains arising from interests in property. Management intends that the Group will continue to comply with the SIIC regulations for the foreseeable future.

The Group operates in a number of jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. The tax impact can be uncertain until a conclusion is reached with the relevant tax authority. The Group addresses this uncertainty by closely monitoring tax developments, seeking independent advice and maintaining transparency with the authorities it deals with as and when any enquiries are made.

The French tax authorities commenced a tax audit in previous years, requesting information on tax filings made in relation to the Group's SIIC structure. The potential exposure was estimated as €12.2 million excluding interest and penalties (2024: €12.6 million). In September 2025, the French tax authorities demanded this amount be paid or secured by a guarantee. Post year end, the group arranged a bank guarantee in response to this demand, and on 10 November 2025 €12,143,735 was transferred to a pledged account with Credit Agricole in accordance with the cash pledge agreement supporting that guarantee. As a result, this cash is restricted until future reporting periods. The Group maintains its position that the amount is not payable and has formally appealed the decision. The appeal, submitted to the French Tax Authority, is expected to be reviewed within six-months. If the claim is dismissed, the Group would escalate the matter to a formal court process, which could take up to two years to resolve. Having taken professional advice, the Board remains of the opinion that the Group's position is ultimately more likely than not to prevail, such that a net outflow is not probable, and accordingly no tax provision has been recognised. We will continue to provide market updates as appropriate.

However, the position will remain uncertain until a conclusion is reached.

## 11. Earnings per share

### Basic earnings per share

The basic earnings per share for the Group is calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	30/09/2025	30/09/2024
<b>Total comprehensive income for the year</b>	<b>€2,229,000</b>	<b>€575,000</b>
Weighted average number of ordinary shares in issue	132,082,196	133,734,686
Basic IFRS earnings per share (cents per share)	1.7	0.4

### Diluted earnings per share

The Group has no dilutive potential ordinary shares and hence the diluted earnings per share is the same as the basic earnings per share in both 2024 and 2025.

### Headline earnings per share

The headline earnings and diluted headline earnings for the Group is 4.9 euro cents per share (2024: 6.1 euro cents per share) as detailed in the full Annual Report and Accounts.

## 12. Dividends paid

Interim dividends of €7,856,000 (2024: €7,917,000) were paid to the shareholders of SEREIT plc during the year as follows:

In respect of	Ordinary shares	Rate (cents)	30/09/2025 €000
---------------	-----------------	--------------	--------------------

In respect of	Ordinary shares	Rate (cents)	30/09/2025
Interim dividend paid on 1 November 2024	133,734,686	1.48	€1,980
Interim dividend paid on 31 January 2025	133,734,686	1.48	1,979
Interim dividend paid on 15 May 2025	131,817,486	1.48	1,952
Interim dividend paid on 15 August 2025	131,509,386	1.48	1,946
<b>Total interim dividends paid</b>			<b>7,856</b>

In respect of	Ordinary shares	Rate (cents)	30/09/2024
Interim dividend paid on 17 November 2023	133,734,686	1.48	1,980
Interim dividend paid on 25 January 2024	133,734,686	1.48	1,979
Interim dividend paid on 10 May 2024	133,734,686	1.48	1,979
Interim dividend paid on 12 August 2024	133,734,686	1.48	1,979
<b>Total interim dividends paid</b>			<b>7,917</b>

### 13. Investment property

Group	€'000
<b>Fair value as at 1 October 2023</b>	<b>213,098</b>
Acquisitions	-
Acquisition costs	-
Disposals	-
Additions	1,164
Net loss from fair value adjustment on investment property	(7,740)
<b>Fair value as at 30 September 2024</b>	<b>206,522</b>
Acquisitions	-
Acquisition costs	-
Additions	605
Disposals	(11,600)
Net loss from fair value adjustment on investment property	(3,013)
<b>Fair value as at 30 September 2025</b>	<b>192,514</b>

In 2024 and 2025, the Group held one leasehold property.

The value of the respective sectors held were as follows:

Sector	2025 €'000	2024 €'000
Industrial	81,520	77,921
Retail (including retail warehousing)	27,130	39,328
Offices	83,864	89,273
<b>Total</b>	<b>192,514</b>	<b>206,522</b>

The investment property in Frankfurt was sold on 30 April 2025 for €11,800,000. The fair value of the investment property was €11,600,000 resulting in a loss on disposal after disposal costs of €27,425. The proceeds from the sale were utilised to partially repay the loan balance with Deutsche Pfandbriefbank AG and cure the loan covenants. See note 20 for further details.

The fair value of investment properties, as determined by the valuer, totals €194,040,000 (2024: €208,050,000) with the valuation amount relating to a 100% ownership share for all the assets in the portfolio.

None of this amount is attributable to trade or other receivables in connection with lease incentives. The fair value of investment properties per the consolidated financial statements of €192,514,000 (2024: €206,522,000) includes a tenant incentive adjustment of €1,526,000 (2024: €1,528,000).

The net valuation loss on investment property of (€3,013,000) (2024: loss of €7,740,000) consists of net property revaluation losses of €3,011,000 (2024: losses of €7,239,000) and a movement of the above-mentioned tenant incentive adjustment of €2,000 (2024: €501,000).

The fair value of investment property has been determined by Savills (UK) Limited (2024: Knight Frank LLP), a firm of independent chartered surveyors, who are registered independent appraisers. The valuation has been undertaken in accordance with the RICS Valuation - Global Standards November 2021, incorporating the International Valuations Standards, and RICS Professional Standards UK, November 2018 (effective January 2019).

The properties have been valued on the basis of 'fair value' in accordance with the RICS Valuation - Professional Standards VPS4(1.5) Fair Value and VPGA1 Valuations for Inclusion in Financial Statements which adopt the definition of fair value used by the International Accounting Standards Board.

The valuation has been undertaken using an appropriate valuation methodology and the valuer's professional judgement. The valuer's opinion of fair value was primarily derived using recent comparable market transactions on arm's length terms, where available, and appropriate valuation techniques (The Investment Method).

The properties have been valued individually and not as part of a portfolio.

The Group has incorporated Environmental, Social and Governance ('ESG') objectives into its core investment strategy and at every stage of the investment process. It has clearly defined its social and environmental targets into distinct categories, for which each has clear and measurable impact objectives. The valuers take into account



distinct categories, for which each has clear and measurable impact objectives. The valuers take into account environmental considerations in their assessment of ERV, discount rate and capital expenditure assumptions for each asset. Some examples include: Hamburg office (c.€0.6m provisioned) for future rooftop terrace works, utility monitoring and management and tenant wellbeing measures in order to continue to keep the asset relevant for occupiers; Stuttgart (c.€0.5m); Paris Saint-Cloud (c.€2.3m) and Rumilly (c.€0.6m) which includes fire sprinklers and replacement of gas boilers to heat pumps relating to fire security enhancements and co-ownership works which will improve ESG ratings in line with Tertiary Decree requirements.

A provision or contingent liability would only be recognised in the consolidated financial statements if the ESG factors led to a constructive or legal obligation for the Group. None of the above amounts have been provided for in the 30 September 2025 annual accounts as there is no legal or constructive obligation to perform these works at the reporting date.

The Group's total valuation fees for the year are €68,000 (2024: €73,000). During the year, the Group changed valuers resulting in fees of €44,000 payable to Savills (UK) Limited and fees of €22,000 payable to Knight Frank LLP. The fees payable to Savills (UK) Limited and Knight Frank LLP are less than 5% of its total revenue in any year.

All investment properties are categorised within Level 3 of the fair value hierarchy, as they use significant unobservable inputs. There have not been any transfers between levels during the year. Investment properties have been classed according to their real estate sector. Information on these significant unobservable inputs per class of investment property is disclosed below:

**Quantitative information about fair value measurement using unobservable inputs (Level 3) as at 30 September 2025:**

<b>2025</b>		<b>Industrial</b>	<b>Retail (incl. retail warehouse)</b>	<b>Office</b>	<b>Total</b>
Fair value (€000)		74,300	27,400	92,340	194,040
Area ('000 sqm)		89,991	16,800	58,736	165,527
Net passing rent € per sqm per annum	Weighted average <sup>1</sup>	60.79	100.00	157.52	99.10
Gross ERV € per sqm per annum	Weighted average <sup>1</sup>	63.36	101.24	146.81	96.81
Net initial yield <sup>2</sup> (%)	Weighted average <sup>1</sup>	4.98 - 8.94	5.54	4.62 - 22.09	4.62 - 22.09

1 Weighted by market value.

2 Yields based on rents receivable after deduction of head rents and non-recoverables.

<b>2024</b>		<b>Industrial</b>	<b>Retail (incl. retail warehouse)</b>	<b>Office</b>	<b>Total</b>
Fair value (€000)		77,950	39,500	90,600	208,050
Area ('000 sqm)		95,030	21,326	54,580	170,936
Net passing rent € per sqm per annum	Range	33.23-	56.85-108.12	120.65-	33.23-163.59
	Weighted	118.05	92.80	163.59	102.12
	average <sup>1</sup>	64.98		138.14	
Gross ERV € per sqm per annum	Range	44.00-	101.58-	79.93-	44.00-233.70
	Weighted	115.36	163.33	233.70	127.71
	average <sup>1</sup>	64.78	120.03	185.21	
Net initial yield <sup>2</sup> (%)	Range	5.43-9.61	1.99-5.94	4.39-19.94	1.99-19.94
	Weighted average <sup>1</sup>	6.62	6.15	7.02	6.44

1 Weighted by market value.

2 Yields based on rents receivable after deduction of head rents and non-recoverables.

**Sensitivity of measurement to variations in the significant unobservable inputs**

The significant unobservable inputs used in the fair value measurement (categorised within Level 3 of the fair value hierarchy) of the Group's property portfolio, together with the impact of significant movements in these inputs on the fair value measurement, are shown below:

<b>Unobservable input</b>	<b>Impact on fair value measurement of significant increase in input</b>	<b>Impact on fair value measurement of significant decrease in input</b>
Passing rent	Increase	Decrease
Gross ERV	Increase	Decrease
Net initial yield	Decrease	Increase
Equivalent yield	Decrease	Increase

There are interrelationships between the yields and rental values as they are partially determined by market rate conditions. The sensitivity of the valuation to changes in the most significant inputs per class of investment property are shown below:

<b>Estimated movement in fair value of investment properties at 30 September 2025</b>	<b>Industrial €'000</b>	<b>Retail €'000</b>	<b>Office €'000</b>	<b>Total €'000</b>
Increase in ERV by 10%	5,840	1,700	7,200	14,740
Decrease in ERV by 10%	(5,840)	(1,800)	(6,900)	(14,540)
Increase in net initial yield by 0.5%	(5,480)	(2,270)	(6,510)	(14,260)
Decrease in net initial yield by 0.5%	6,460	2,260	7,720	16,940

<b>Estimated movement in fair value of investment properties at 30 September 2024</b>	<b>Industrial €'000</b>	<b>Retail €'000</b>	<b>Office €'000</b>	<b>Total €'000</b>
Increase in ERV by 10%	1,500	3,350	6,350	11,200
Decrease in ERV by 10%	(1,500)	(3,350)	(6,300)	(11,150)
Increase in net initial yield by 0.5%	(2,300)	(3,400)	(6,750)	(12,450)
Decrease in net initial yield by 0.5%	2,600	4,150	8,200	14,950

#### 14. Recognition of development revenue and profit

During the financial year ended 30 September 2021, the Group transferred legal title of its office asset in Boulogne-Billancourt, Paris, to a purchaser under a forward-funded sale agreement. The arrangement comprised two performance obligations: the sale of the asset and the completion of refurbishment works on behalf of the purchaser over an initially planned period of 18 months.

The development revenue is variable and recognised over time based on the achievement of contractual milestones, the stage of completion and consideration of associated development risks. The total development revenue expected under the contract is €30.4 million (2023: €30.4 million).

During the year the Group incurred costs of €17,900 (2024: expense €695,000), which cumulatively to date, represents 99.6% of the total project expenditure and a sum of €231,000 (2024: €1.5 million) of development revenue has been recognised following consideration of the factors identified above. Total development revenue from this contract recognised since inception is €29.8 million, which represents 98% of total development revenue. The cash received in the year was €850,000. The remaining development revenue is expected to be recognised in the year ending 30 September 2026. The lag between development revenue and development cost represents the inherent development risk that can be evident in such projects.

The total amount of the contract asset recognised by the Group that is due from the purchaser thereby totalled €200,000 (2024: €1.3 million) at the end of the financial year and is included in trade and other receivables.

The below sensitivity table presents the change in the total development revenue expected from the purchaser if the variable consideration increases or decreases by 10%. Note that the maximum amount of variable revenue remaining that could be recognised is €600,000. This is also the expected amount of revenue to be received, therefore no +10% analysis is performed.

<b>2025</b>	<b>-10%</b>	<b>0%</b>	<b>+10%</b>
Variable development revenue expected from the purchaser (€m)	0.5	0.6	0.6
<b>2024</b>	<b>-10%</b>	<b>0%</b>	<b>+10%</b>
Variable development revenue expected from the purchaser (€m)	0.7	0.8	0.8

#### 15. Investment in subsidiaries

<b>Company</b>	<b>Company 2025 €'000</b>	<b>Company 2024 €'000</b>
<b>Balance as at 1 October</b>	<b>69,921</b>	<b>69,921</b>
Additions	25	50
Provision of investment made in subsidiaries	-	(50)
<b>Balance as at 30 September</b>	<b>69,946</b>	<b>69,921</b>

During the year to 30 September 2025, SEREIT plc invested €25,000 into SEREIT (Jersey) Limited through an inter-company loan converted to equity.

SEREIT Finance Sàrl was dissolved on 15 September 2025.

The subsidiary companies listed below are those which were part of the Group as at 30 September 2025. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group and the proportion of ownership of interests held equals the voting rights held by the Group.

<b>Undertaking</b>	<b>Country of incorporation</b>	<b>Group ownership</b>	<b>Registered office address</b>
SEREIT (Jersey) Limited	Jersey	100%	22 Grenville Street, Jersey, JE4 8PX
SEREIT Holdings Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
OPDC SEREIT France	France	100%	452 Rue Saint-Hippolyte, 75004

Undertaking	Country of incorporation	Group ownership	Registered office address
OFFICE SEREIT France	France	100%	133 Rue Saint Honore, 75001 Paris
SCI SEREIT Rumilly	France	100%	8-10 Rue Lamennais, 75008 Paris
SEREIT Berlin DIY Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SEREIT Hamburg Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SEREIT Stuttgart Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SEREIT Frankfurt Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SCI SEREIT Directoire	France	100%	8-10 Rue Lamennais, 75008 Paris
SEREIT Apeldoorn Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SEREIT UV Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SEREIT Alkmaar Sàrl	Luxembourg	100%	404, Route d'Esch, Luxembourg, 1471
SEREIT Holdings France SAS	France	100%	8-10 Rue Lamennais, 75008 Paris
SCI SEREIT Pleudihen	France	100%	8-10 Rue Lamennais, 75008 Paris
SAS Clarity Development	France	100%	8-10 Rue Lamennais, 75008 Paris
SEREIT France Invest SAS	France	100%	8-10 Rue Lamennais, 75008 Paris
SCI SEREIT Nantes	France	100%	8-10 Rue Lamennais, 75008 Paris
SCI LC Invest	France	100%	8-10 Rue Lamennais, 75008 Paris

#### 16. Investment in joint venture

On 30 January 2025, the Group disposed of its 50% interest in Metromar Retail, held through Urban SEREIT Holdings Spain S.L., for a consideration of €1. Following this disposal, the Group no longer has any interest in the joint venture as at 30 September 2025. Prior to the sale, the investment was held at a carrying value of nil (2024: nil), as it had been fully impaired in prior periods

As at 30 September 2025, the Group held no interest in the joint venture, Urban SEREIT Holdings Spain S.L. This followed the sale of Urban SEREIT Holding's interest in Metromar Retail, the entity owning a shopping centre in Seville, for €1 on 30 January 2025. Concurrently, on 30 January 2025, the Group divested its 50% holding in the Metromar joint venture. The joint venture's primary business address was Calle Velázquez 3, 4th Madrid 28001, Spain.

#### 17. Trade and other receivables

	Group 2025 €'000	Group 2024 €'000	Company 2025 €'000	Company 2024 €'000
Rent and service charges receivable	4,740	5,091	-	-
Amounts due from subsidiary undertakings	-	-	983	836
VAT receivable	421	322	14	11
Rental and security deposits	1,430	1,401	-	-
Proceeds receivable from development <sup>1</sup>	213	1,338	-	-
Withholding tax receivable	497	-	-	-
Other debtors and prepayments	3,576	1,874	768	62
	<b>10,877</b>	<b>10,026</b>	<b>1,765</b>	<b>909</b>

1 Refer to note 14 for proceeds due from the development of Boulogne-Billancourt in Paris.

Other debtors and prepayments includes tenant incentives of €1,526,000 (2024: €1,528,000). IFRS 9 requires an impairment review to be made for certain financial assets including rent and service charge receivable, using a forward-looking expected credit loss model. Rent and service charge receivables includes a provision of €3,000 (2024: €51,000).

#### 18. Cash and cash equivalents

	Group 2025 €'000	Group 2024 €'000	Company 2025 €'000	Company 2024 €'000
Cash at bank and in hand	26,524	27,362	12,070	18,165
Restricted cash	1,838	-	-	-
	<b>28,362</b>	<b>27,362</b>	<b>12,070</b>	<b>18,165</b>

Restricted cash of €1,837,500 represents cash put on deposit to cure the LTV covenant in line with the Deutsche Pfandbriefbank AG bank loan agreement and following the sale of the Group's Frankfurt asset. See note 20 for further

details.

Post year end, on 10 November 2025 €12,143,735 was transferred to a pledged account with Credit Agricole in line with the cash pledge agreement as requested by the French Tax Authority for the arrangement of the guarantee related to the French tax audit.

## 19. Share capital and share premium

	Group 30/09/2025 €'000	Group 30/09/2024 €'000	Company 30/09/2025 €'000	Company 30/09/2024 €'000
Ordinary share capital	17,966	17,966	17,966	17,966
Share premium	43,005	43,005	43,005	43,005

As at 30 September 2025, the share capital of the Company was represented by 131,407,986 ordinary shares (2024: 133,734,686 ordinary shares) with a par value of 10.00 pence.

### Issued share capital

As at 30 September 2025, the Company had 131,407,986 ordinary shares in issue (2024: 133,734,686), after deducting 2,326,700 shares held in treasury. Accordingly, the total number of voting rights at 30 September 2025 was 131,407,986 (2024: 133,734,686).

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### Treasury capital

As at 30 September 2025, the Company had 2,326,700 ordinary shares (2024: nil) held in treasury.

## 20. Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate risk, see note 23.

	Group 2025 €'000	Group 2024 €'000	Company 2025 €'000	Company 2024 €'000
<b>As at 1 October</b>	<b>70,471</b>	<b>73,623</b>	<b>-</b>	<b>-</b>
Drawdown of new loans	-	-	-	-
Repayment of loans	(6,563)	(3,000)	-	-
Capitalisation of finance costs	-	(322)	-	-
Amortisation of finance costs	111	170	-	-
<b>As at 30 September</b>	<b>64,019</b>	<b>70,471</b>	<b>-</b>	<b>-</b>

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### Bank loan - ABN AMRO

The Group entered into a facility of €13.76 million with ABN AMRO during the year ended 30 September 2023. The loan was fully drawn down on 28 September 2023 and matures on 27 September 2028.

It carries an interest rate of 5.3% which is payable quarterly. The debt has an LTV covenant of 62.5%, with a cash trap of 55% which reduces by 1% each year from 1 September 2024 and the debt to yield ratio should be above 12.5%.

The lender has a charge over property owned by the Group with a value of €38.44 million. A pledge of all shares in the borrowing Group company is in place.

### Bank loan - BRED Banque Populaire

The Group entered into a loan facility totalling €13.0 million with BRED Banque Populaire during the year ended 30 September 2018.

The total amount was fully drawn and was initially due to mature on 15 December 2024. The loan carries an interest rate which is the aggregate of the applicable Euribor three-month rate and a margin of 1.30% per annum, payable quarterly. The facility was subject to an arrangement fee of €70,000 which is being amortised over the period of the loan. The debt has an LTV covenant of 60% and the interest cover ratio ('ICR') should be above 400%. The Group has purchased an interest rate cap to have risk coverage on the variation of the interest rate.

During the year ended 30 September 2020, the Group received a further €4.0 million of debt into SCI Directoire under its existing loan facility with BRED Banque Populaire. The additional loan amount carries an interest rate of 1.45% and was subject to a €30,000 arrangement fee which will be amortised over the period of the loan.

On 15 December 2023, the Group completed an early refinancing of the loan, extending the term by three years from

On 15 December 2022, the Group completed an early redemption of the loan, extending the term by three years from 15 December 2024 to 15 December 2027, with an option of a further year. The principal of the loan was also reduced by €3.0 million from €17.0 million to €14.0 million. Following the refinancing, the loan now carries an interest rate which is the aggregate of the applicable Euribor 3 months rate and a margin of 1.90% per annum, payable quarterly. The lender has a charge over property owned by the Group with a value of €35.6 million. A pledge of all shares in the borrowing Group company is in place.

#### Bank loan - Deutsche Pfandbriefbank AG

The Group had two loan facilities totalling €30.50 million with Deutsche Pfandbriefbank AG which were entered into during the year ended 30 September 2016.

One of the loan facilities totalling €14.0 million was repaid in March 2023 and carried a fixed interest rate of 0.85% per annum payable quarterly.

The remaining loan totalling €9.94 million matures on 30 June 2026 and carries a fixed interest rate of 1.31% per annum. An additional fixed fee of 0.30% per annum was payable until certain conditions relating to the Frankfurt property were fulfilled on 30 December 2016. The facility was subject to a 0.35% arrangement fee which is being amortised over the period of the loan. The debt has a LTV covenant of 65% and the debt yield must be at least 8%.

On 29 April 2025, the Group repaid €6.6 million of the loan following the disposal of the property in Frankfurt. To ensure continued compliance with the WAULT and LTV covenants, €2.5 million was placed on deposit in agreement with the lender. The WAULT covenant test was subsequently satisfied following a lease regear, allowing €0.7 million to be released back to the Group on 1 October 2025. No covenant breach occurred during the year to 30 September 2025.

The lender has a charge over property owned by the Group with a value of €27.4 million. A pledge of all shares in the borrowing Group companies is in place.

#### Bank loan - Westerwald Bank eG

The Group entered into a facility of €18.0 million with Westerwald bank on 31 March 2023. The loan has been fully drawn and matures on 31 December 2027. It carries an interest rate of 3.8% which is payable quarterly.

The lender has a charge over property owned by the Group with a value of €37.7 million.

#### Bank loan - Landesbank Saar

The Group entered into a loan facility of €8.6 million with Landesbank Saar on 27 March 2019.

The loan was initially due to mature on 28 March 2024 and carried an interest rate of 1.40% plus Euribor three-month per annum, payable quarterly. An additional 25bps was applied to the margin if the LTV was between 56% and 60%, or 50bps if the LTV was above 60%. The facility was subject to a €56,000 arrangement fee which was amortised over the period of the loan. The debt had an LTV covenant of 64% and the interest cover was required to be above 220%. A pledge of all shares in the borrowing Group company is in place.

On 26 March 2024, the Group refinanced the loan, the loan now matures on 26 March 2029 and attracts interest at a fixed rate of 4.3%. As a result of the refinancing, the covenants were amended. An additional 25bps is now applied to the interest rate if the LTV is between 50% and 53%, or 50bps if the LTV is between 53% and 55%. The debt now has an LTV covenant of 55% and the interest cover should be above 200%.

### 21. Trade and other payables

	Group 30/09/2025	Group 30/09/2024	Company 30/09/2025	Company 30/09/2024
	€'000	€'000	€'000	€'000
Rent received in advance	1,530	1,001	-	-
Rental deposits	1,439	1,411	-	-
Interest payable	394	486	-	-
Retention payable	-	-	-	-
Amounts due to subsidiary undertakings	-	-	180	58
Accruals	2,311	1,699	924	424
Trade payables	166	358	51	47
	<b>5,840</b>	<b>4,955</b>	<b>1,155</b>	<b>529</b>

All trade and other payables are interest free and payable within one year. Included within the Group's accruals are amounts relating to management fees of €579,000 (2024: €140,000) and property expenses of €172,000 (2024: €626,000).

### 22. Net asset value per ordinary share and share buyback

Between the 20 January 2025 to 30 September 2025, the Company repurchased 2,326,700 shares for a sum of £1,527,485 (€1,814,942) million at an average price of 0.66 pence per share. As a result of the buyback, the number of ordinary shares in issue reduced from 133,734,686 to 131,407,986 during the reporting period.

The NAV per ordinary share of 119.2 euro cents per share (2024: 122.7 euro cents per share) is based on the net assets attributable to ordinary shareholders of the Group of €156,655,000 (2024: €164,097,000), and 131,407,986 ordinary shares in issue at 30 September 2025 (2024: 133,734,686 ordinary shares).

## 23. Financial instruments, properties and associated risks

### Financial risk factors

The Group holds cash and liquid resources as well as having debtors and creditors that arise directly from its operations. The Group uses interest rate caps when required to limit exposure to interest rate risks, but does not have any other derivative instruments. The financial risk profile of the Group has been heightened, in part due to ongoing geopolitical developments, together with macroeconomic uncertainty.

The main risks arising from the Group's financial instruments and properties are market price risk, currency risk, credit risk, liquidity risk and interest rate risk. The Board regularly reviews and agrees policies for managing each of these risks and these are summarised below:

#### *Market price risk*

Rental income and the market value for properties are generally affected by overall conditions in the economy, such as changes in gross domestic product, employment trends, inflation and changes in interest rates. Changes in gross domestic product may also impact employment levels, which in turn may impact the demand for premises. Furthermore, movements in interest rates may also affect the cost of financing for real estate companies.

The Group's investments comprise of continental European commercial property. Property and property-related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sale's price even where such sales occur shortly after the valuation date.

Both rental income and property values may also be affected by other factors specific to the real estate market, such as competition from other property owners; the perceptions of prospective tenants of the attractiveness, convenience and safety of properties; the inability to collect rents because of bankruptcy or the insolvency of tenants; the periodic need to renovate, repair and re-lease space and the costs thereof; the costs of maintenance and insurance, and increased operating costs.

The Board monitors the market value of investment properties by having independent valuations carried out quarterly by a firm of independent chartered surveyors. See note 13.

At the date of signing this report, the conflict in Ukraine continues to have societal and economic impact. The Group does not have a material direct exposure to Russia or Ukraine, but continues to monitor the situation closely.

#### *Currency risk*

The Group's policy is for Group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Group entities have liabilities in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already in that currency will, where possible, be transferred from elsewhere within the Group. The functional currency of all entities in the Group is the euro. Currency risk sensitivity has not been shown due to the small values of non-euro transactions. The table below details the Group's exposure to foreign currencies at the year end:

	Group 30/09/2025	Group 30/09/2024	Company 30/09/2025	Company 30/09/2024
Net assets	€'000	€'000	€'000	€'000
Euros	156,488	163,912	135,407	143,788
Sterling	78	28	78	28
Rand	89	157	89	157
	<b>156,655</b>	<b>164,097</b>	<b>135,574</b>	<b>143,973</b>

#### *Interest rate risk*

Exposure to market risk for changes in interest rates relates primarily to the Group's long-term debt obligations and to interest earned on cash balances. As interest on the Group's long-term debt obligations is payable on a fixed-rate basis, or is capped, the Group has limited exposure to downside interest rate risk, but is exposed to changes in fair value of long-term debt obligations such as derivatives which are driven by interest rate movements. As at 30 September 2025, the total carrying value of the Group's loans was €64.3 million (2024: €70.9 million). Although held at carrying value in the financial statements, the Group has its fixed-rate debt fair valued, and as at 30 September 2025, the fair value of the Group's fixed rate debt was €51.58 million (2024: €56.51 million). The carrying value for the fixed-rate debt was €50.30 million (2024: €56.86 million). The Group does not fair value variable rate debt. The carrying value of the variable rate debt, which is €14.0 million (2024: €14.0 million), is deemed to approximate the fair value. A 1% increase or decrease in short-term interest rates would decrease or increase the

annual income and equity by €0.1 million (2024: €0.1 million) based on the net of cash and variable debt balances as at 30 September 2025. 1% has been chosen as the sensitivity rate to demonstrate the linear relationship to interest rate changes.

#### Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. In the event of default by an occupational tenant, the Group will suffer a rental income shortfall and incur additional costs, including legal expenses, in maintaining, insuring and re-letting the property.

On initial recognition the Group calculates the expected credit loss for rent and service charge receivables based on the lifetime expected credit losses under the IFRS 9 simplified approach.

The Investment Manager reviews reports prepared by Dun & Bradstreet or other sources, to assess the credit quality of the Group's tenants and aims to ensure there is no excessive concentration of risk and that the impact of any default by a tenant is minimised.

In respect of credit risk arising from other financial assets, which comprises of cash and cash equivalents, exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amounts of these instruments. In order to mitigate such risks, cash is maintained with major international financial institutions with high-quality credit ratings.

The table below shows the balance of cash and cash equivalents held with various financial institutions at the end of the reporting year.

<b>Bank</b>	<b>Ratings as at 30/09/2025</b>	<b>Group balance at 30/09/2025 €'000</b>	<b>Company balance at 30/09/2025 €'000</b>
HSBC Bank plc	AA-	479	404
ING Bank N.V.	AA-	6,827	-
BNP Paribas	A+	596	-
BRED Banque Populaire	A+	817	-
Santander	A+	159	0
Societe Generale SA	A-	3,638	300
Commerzbank AG	A	1,570	-
FirstRand Bank Limited	BB-	89	89
Royal Bank of Scotland International	AA-	11,277	11,277
ABN AMRO Bank	A	1,072	-
Deutsche Pfandbriefbank - restricted cash due to LTV reserve	A-	1,838	-
		<b>28,362</b>	<b>12,070</b>

<b>Bank</b>	<b>Ratings as at 30/09/2024</b>	<b>Group balance at 30/09/2024 €'000</b>	<b>Company balance at 30/09/2024 €'000</b>
HSBC Bank plc	AA-	5,907	5,707
ING Bank N.V.	AA-	2,876	-
BNP Paribas	A+	883	-
BRED Banque Populaire	A	278	-
Santander	A-	529	496
Societe Generale SA	A-	4,594	1,935
Commerzbank AG	A	1,466	-
FirstRand Bank Limited	BB-	157	157
Royal Bank of Scotland International	A	9,870	9,870
ABN AMRO Bank	A	802	-
		<b>27,362</b>	<b>18,165</b>

The maximum exposure to credit risk for rent and service charge receivables at the reporting date by type of sector was:

	<b>30/09/2025 Carrying amount €'000</b>	<b>30/09/2024 Carrying amount €'000</b>
Office	4,022	4,157
Retail (including retail warehousing)	10	239
Industrial	708	695
	<b>4,740</b>	<b>5,091</b>

Rent and service charges receivables which are past their due date, but which were not impaired at the reporting date, were:

<b>30/09/2025 Carrying</b>	<b>30/09/2024 Carrying</b>
--------------------------------	--------------------------------

	30/09/2025 Carrying amount €'000	30/09/2024 Carrying amount €'000
0-30 days	€'000	€'000
31-60 days	€'000	€'000
61-90 days	4	2
91 days plus	176	346
	<b>1,132</b>	<b>685</b>

#### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting its financial obligations.

Investments in property are relatively illiquid. However, the Group has tried to mitigate this risk by investing in properties that it considers to be good quality.

In certain circumstances, the terms of the Group's debt facilities entitle the lender to require early repayment and in such circumstances the Group's ability to maintain dividend levels and the net asset value could be adversely affected. There is an additional liquidity risk at this year end, as the loan secured on the Berlin property is due to mature in June 2026, and the Group is actively progressing refinancing options to mitigate this. The Group continues to monitor refinancing requirements closely and engages with lenders well in advance of facility maturities to manage upcoming obligations. The Investment Manager prepares cash flows on a rolling basis to ensure the Group can meet future liabilities as and when they fall due.

The following table indicates the undiscounted maturity analysis of the financial liabilities.

As at 30 September 2025	Carrying amount €'000	Expected cash flows €'000	6 months or less €'000	6 months to 2 years €'000	2-5 years €'000	More than 5 years €'000
Financial liabilities						
Interest-bearing loans and borrowings and interest	64,297	70,644	1,231	13,483	55,930	-
Trade and other payables	5,840	4,839	4,839	-	-	-
<b>Total financial liabilities</b>	<b>70,137</b>	<b>75,483</b>	<b>6,070</b>	<b>13,483</b>	<b>55,930</b>	<b>-</b>

As at 30 September 2024	Carrying amount €'000	Expected cash flows €'000	6 months or less €'000	6 months to 2 years €'000	2-5 years €'000	More than 5 years €'000
Financial liabilities						
Interest-bearing loans and borrowings and interest	70,860	80,368	1,358	20,536	58,474	-
Trade and other payables	4,955	3,954	3,954	-	-	-
<b>Total financial liabilities</b>	<b>75,815</b>	<b>84,322</b>	<b>5,312</b>	<b>20,536</b>	<b>58,474</b>	<b>-</b>

#### Fair values

The fair values of financial assets and liabilities approximate their carrying values in the financial statements.

The fair value hierarchy levels are as follows:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between Levels 1, 2 and 3 during the year (2024: none).

The following summarises the main methods and assumptions used in estimating the fair values of financial instruments and investment property (which is a non-financial asset).

#### Investment property - Level 3

Fair value is based on valuations provided by an independent firm of chartered surveyors and registered appraisers. These values were determined after having taken into consideration recent market transactions for similar properties in similar locations to the investment properties held by the Group. The fair value hierarchy of investment property is Level 3. See note 13 for further details.

#### Interest-bearing loans and borrowings - Level 2

Fair values are based on the present value of future cash flows discounted at a market rate of interest. Issue costs are amortised over the period of the borrowings.

#### Trade and other receivables/payables

All receivables and payables are deemed to be due within one year and as such the carrying value approximates the



fair value.

## Derivatives - Level 2

Fair values of derivatives are based on current market conditions such as the current EURIBOR rate compared to the terms of the derivative agreements.

## Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, and to sustain future development of the business. The objective is to ensure that it will continue as a going concern and to maximise return to its equity shareholders through an appropriate level of gearing.

The Group's debt and capital structure comprises the following:

	30/09/2025 €'000	30/09/2024 €'000
<b>Debt</b>		
Loan facilities and accrued interest	64,692	70,806
<b>Equity</b>		
Called-up share capital and share premium	60,971	60,971
Retained earnings and other reserves	95,684	103,126
<b>Total equity</b>	<b>156,655</b>	<b>164,097</b>
<b>Total debt and equity</b>	<b>221,347</b>	<b>234,903</b>

There were no changes in the Group's approach to capital management during the year.

The Company's capital structure is comprised of equity only.

## 24. Operating leases

The Group leases out its investment property under operating leases. At 30 September 2025, the future minimum lease receipts under non-cancellable leases are as follows:

	30/09/2025 €'000	30/09/2024 €'000
<b>The Group as a lessor</b>		
Less than one year	14,074	16,023
Between one and two years	11,146	12,675
Between two and three years	9,590	8,610
Between three and four years	8,350	6,445
Between four and five years	7,031	5,061
More than five years	27,477	14,463
	<b>77,668</b>	<b>63,277</b>

The total above comprises the total contracted rent as at 30 September 2025.

## 25. Related party transactions

Material agreements are disclosed in note 5 and Directors' emoluments are disclosed in note 9. Loans to related parties are disclosed in the consolidated and company statements of financial position and other amounts due from related parties are disclosed in note 17.

Details of dividends received from the joint venture are disclosed in note 16.

Interest receivable from the joint venture was impaired during the year; refer to note 6 for further details.

## 26. Contingent liability

There are no contingent liabilities other than those disclosed in note 10.

## 27. Capital commitments

At 30 September 2025 the Group has only de minimus remaining costs to be incurred in relation to Paris BB.

## 28. Employees

The Group has one employee who is appointed by the French branch of the Company. The total charge for the employee during the year was €23,000 (2024: €22,000).

## 29. Post balance sheet events

There were no significant events occurring after the balance sheet date other than those disclosed in note 18.

Status of results announcement

2025 Financial Information

The figures and financial information for 2025 are extracted from the Annual Report and Accounts for the year ended

30 September 2025 and do not constitute the statutory accounts for that year. The Annual Report and Accounts include the Report of the Independent Auditors which is unqualified and does not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006. The Annual Report and Accounts will be delivered to the Registrar of Companies in due course.

#### 2024 Financial Information

The figures and financial information for 2024 are extracted from the published Annual Report and Accounts for the year ended 30 September 2024 and do not constitute the statutory accounts for the year. The Annual Report and Accounts have been delivered to the Registrar of Companies and included the Report of the Independent Auditors which was unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

Neither the contents of the Company's web pages nor the contents of any website accessible from hyperlinks on the Company's web pages (or any other website) is incorporated into, or forms part of, this announcement.

5 December 2025

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ENDS

A copy of the 2025 Annual Report will shortly be submitted to the FCA's National Storage Mechanism and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

The 2025 Annual Report will shortly be available on the Company's web pages at [www.schroders.co.uk/sereit](http://www.schroders.co.uk/sereit) where up-to-date information on the Company, including daily NAV and share prices, factsheets and portfolio information can also be found.

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