

Gresham House Commercial Property Fund

Quarterly Report

1 October 2025 to 31 December 2025



Gresham House
Specialist investment

Highlights

A long-term track record of positive risk-adjusted returns with lower volatility.

This unaudited quarterly update provides an overview of the Gresham House Commercial Property Fund (the Fund) performance between 1 October 2025 to 31 December 2025.

The Fund launched in 2016 with a target return of 8-10% per annum, inclusive of 5% income.

Unit Price
(NAV per Unit)

€146.05

Portfolio of ten properties*

€52,595,000

Rental income

€4.47mn p.a.

The Fund produced a return of 1.1% during the quarter ended 31 December 2025.**

The Fund has won the MSCI award for best performing Irish portfolio for the last five years.

Running rental income yield from the portfolio of 8.5% per annum.

* Valued externally by Cushman & Wakefield

** All performance figures stated in this report are 'Net Performance' (i.e. net of fees and charges).

The Investment Manager, Gresham House Asset Management Ireland Limited (Gresham House Ireland Investment Management or the Manager), is a leading Irish based asset manager, managing a range of funds, which invest globally, to grow and protect our clients' assets.

For more information visit

www.greshamhouse.ie

Investment Manager's Report

Fund performance

The Fund delivered a strong performance for the quarter ended 31 December 2025, continuing its consistent outperformance of the MSCI Ireland benchmark. The portfolio achieved a total return of 1.83 percent for the quarter compared with 1.66 percent for the benchmark, driven primarily by robust income performance rather than capital growth

Income return remained the key contributor, with the portfolio generating a quarterly income return of 2.03% versus 1.27% for the benchmark. This reflects the portfolio's high net operating income yield of 8.5% and a materially lower vacancy rate of 3.35% compared with 12.73% for the benchmark, highlighting the strength and resilience of underlying cash flows.

Performance continues to benefit from strong asset management and exposure to retail assets, particularly shopping centres, which outperformed during the period.

Overall, the Fund continues to demonstrate stable income generation, low vacancy and consistent relative performance, reinforcing its defensive positioning within the Irish commercial property market.

Fund portfolio

The Fund's independent valuers, Cushman and Wakefield (C&W) undertook their quarterly review of the properties in the Fund as at 31 December 2025.

This valuation resulted in an overall decrease over the corresponding figure for the end of September 2025 of €52,595,000, a decrease in value of -0.1%.

The decrease in valuation during the quarter is mainly due to the following:

- **Magna** - Increase in the yield by ten basis points as there are now less than twelve months until expiry.
- **Beaver House** - Increase in yield of 20 basis points has been applied to reflect current market sentiment, informed by the recent sale of a superior office building.

The portfolio now generates a rental income of €4,469,231 per annum, resulting in a running income yield of 8.5% based on the valuation. A number of properties in the portfolio are currently undergoing lease/rent review negotiations, which are expected to result in increased rent for the Fund in the upcoming period.

Improving our sustainability credentials continues to be of strong focus. A series of measures and improvements aimed at improving the Fund's GRESB score continue to be undertaken as the Fund enters its third year of GRESB scoring with a view to achieving four stars in the 2025 application.

Market background

Ireland's economy continued to show resilience through Q4 2025 despite a more challenging global backdrop. As a small, open economy, Ireland remains exposed to developments in international trade, particularly involving US and EU policy positions. While export growth moderated in the second half of the year, overall economic activity remained supportive of commercial real estate demand.

GDP growth for 2025 is estimated at c.3%, underpinned by strong multinational activity, although Modified Domestic Demand (MDD) remained more subdued at c.2%, reflecting softer domestic consumption and investment. Inflation continued to trend close to the ECB's 2% target, providing a more stable interest rate environment following earlier monetary easing.

The labour market remains tight and employment levels high, supporting occupier demand across key property sectors.

Office sector

Dublin's office market recorded a strong recovery in 2025, marking a clear turning point following several years of subdued activity. According to Colliers, total office take-up reached 2.7 million sq. ft., representing a 21% increase on 2024 and exceeding the ten-year average for the first time since 2019.

Demand was led by the Technology, Media and Telecommunications (TMT) sector, which accounted for 32% of total take-up. This was underpinned by Workday's landmark 416,000 sq. ft. lease at College Square, the largest office transaction completed in Europe during 2025. City centre locations dominated activity, accounting for 67% of annual take-up, while suburban markets also showed renewed momentum, representing 29% demand.

Vacancy rates continued to trend downward, falling to 13.8% in Q4 2025, reflecting both strong take-up and limited new supply. The market remains highly polarised, with Grade A and ESG-compliant buildings significantly outperforming older, less efficient stock. Prime CBD rents remained stable in the range of €62.50 to €65.00 per sq. ft., with premium "trophy" offices achieving higher effective levels.

Looking ahead, a development pipeline of approximately two million sq. ft. is scheduled for delivery by 2028, with 70% already pre-let or reserved, pointing to a tightening supply of high-quality space. ESG-driven relocations, return-to-office mandates, and selective speculative development are expected to define market activity into 2026.

Industrial sector

The industrial and logistics sector remained one of the strongest performers in Q4 2025. While overall take-up for the year moderated from post-pandemic peaks, demand continued to outstrip available supply, particularly for modern, well-located units within the Greater Dublin Area.

Vacancy rates remained extremely low, supporting further rental growth for prime logistics assets. Rising construction costs and limited land availability continue to constrain new development, reinforcing positive fundamentals for existing stock. Investor and occupier sentiment toward the sector remains robust, supported by long-term structural trends including e-commerce, supply chain reconfiguration, and nearshoring.

Retail sector

Ireland's retail property market delivered a mixed but improving performance in Q4 2025. Prime high street locations continued to benefit from limited supply and steady occupier demand, particularly from international brands seeking flagship stores in Dublin city centre.

Prime rents on Grafton Street and Henry Street remained stable to modestly positive over the quarter, with rental growth concentrated in the best pitches. Retail parks and convenience-led schemes continued to perform well, supported by strong footfalls, resilient consumer spending, and essential retail occupiers.

While cost pressures and changing consumer behavior remain challenges, the overall outlook for prime retail assets is stable, with investor interest focused on dominant locations and defensive income profiles).

Investment market

Investment activity showed further signs of recovery in Q4 2025, supported by improved pricing clarity and a more favorable interest rate environment following ECB rate cuts over the past 18 months. Total investment volumes for 2025 remained below long-term averages but demonstrated a clear upward trend throughout the second half of the year.

The office sector continued to attract a significant share of capital, particularly for prime, well-let assets, reflecting renewed confidence in the sector's long-term fundamentals.

Retail parks and logistics assets also remained in strong demand, with international investors increasingly active. French SCPI funds remain the most active of overseas institutional purchasers.

Yield stabilization across most sectors was a key theme during the quarter, with selective yield compression observed for core assets, signaling improving market sentiment.

Market outlook

The outlook for Ireland's commercial property market into 2026 is increasingly positive.

Stable ECB interest rates, improving investor sentiment and sustained occupier demand across office, industrial, and retail sectors all point to a measured recovery. While global economic and geopolitical risks persist, domestic fundamentals remain supportive, underpinned by employment growth, inward investment, and a stabilizing interest rate environment.

Supply constraints across office, industrial, and prime retail sectors are expected to support rental growth for high-quality assets. Investor confidence continues to improve, particularly where pricing expectations between buyers and sellers are aligned.

Overall, the market appears to have moved beyond its cyclical low point, with improving liquidity and occupier demand pointing toward a more constructive phase of the cycle.

Fund outlook

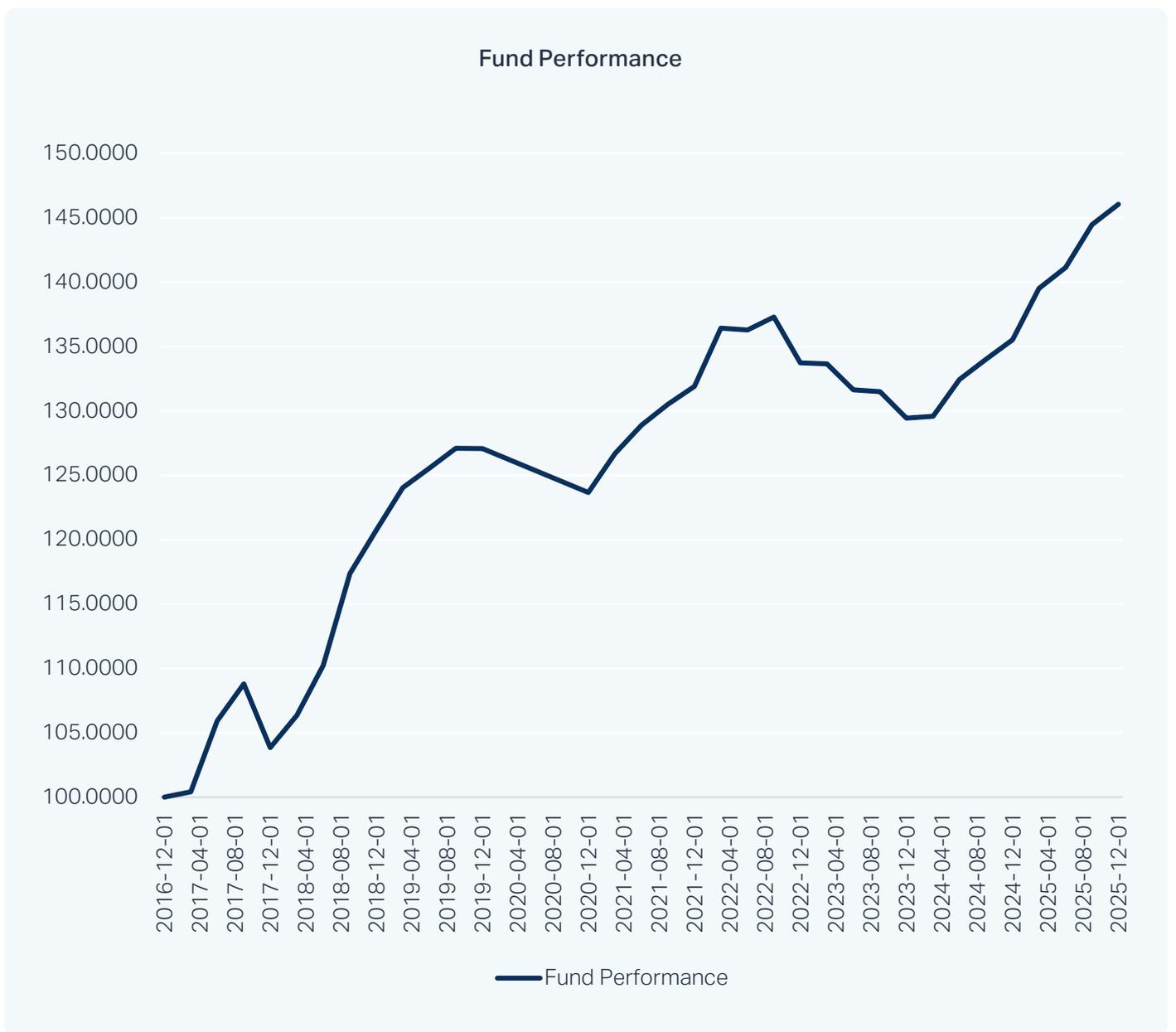
The Fund continues to demonstrate resilience and strong relative performance, underpinned by its focus on high-quality, income-producing assets across the office, retail, and industrial sectors. Income performance remained stable through Q4 2025, reflecting the strength of the underlying tenant base and proactive asset management.

While capital values across the broader market remain sensitive to macroeconomic developments, the Fund's diversified portfolio and emphasis on prime assets have helped mitigate volatility. Select assets continue to deliver rental growth and improved occupancy, validating the Fund's long-term strategy.

Looking ahead, the Fund remains focused on increasing subscriptions, preserving capital, enhancing income resilience, and selectively deploying capital into opportunities that offer attractive risk-adjusted returns. We believe the market is now more balanced, with improving sentiment providing a supportive backdrop for disciplined growth.

Cumulative Performance	YTD	3 months	6 months	1 year	3 years	5 years	10 years	Since launch
Gresham House Commercial Property Fund	7.77%	1.10%	3.49%	7.77%	9.21%	18.10%	N/A	46.05%

Annualised Performance	3 Years PA	5 Years PA	10 Years PA	Since launch
Gresham House Commercial Property Fund	2.98%	3.38%	N/A	4.29%





Fenward House
Sandyford



**73 & 74/75
Patrick Street**
Cork



Tuansgate
Tallaght



Westland House
Dublin 12



**Boroinhe
Shopping Centre**
Swords



Beaver House
Clonskeagh



Damastown Way
Mulhuddart



Magna Park
Citywest



Applegreen
Celbridge

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