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The abrdn Global Real Estate Fund quarterly update provides an overview of the market; fund performance, positioning and portfolio changes; and the fund manager's outlook for the months ahead.

abrdn Global Real Estate Fund, a Sterling denominated unit trust – This fund is managed by abrdn Fund Managers Limited.

abrdn Global Real Estate Fund invests in assets that may at times be hard to sell. This means that there may be occasions when you experience a delay or receive less than you might otherwise expect when selling your investment. For more information on risks, see the prospectus and key investor information document.

OBJECTIVES AND INVESTMENT POLICY

Fund Objective

Transition Period: The abrdn Global Real Estate Fund is currently undergoing a portfolio transition to (i) reduce its holdings to approximately 45% in direct property and (ii) increase its holdings to approximately 45% in indirect property. The transition commenced on 7 July 2025 and is expected to be completed within 12 – 18 months however, the transition may take longer due to the illiquid nature of property assets and varying market conditions. Potential investors should be aware that, for a period from 7 July 2025, investments in both direct and indirect holdings in the fund will not align with the target allocations of 45% as stated in the investment policy. Investors can view an updated breakdown of the composition of the fund by visiting <https://www.aberdeeninvestments.com/en-gb/intermediary/funds/view-all-funds> and reviewing the fund's factsheet. Investment objective: To generate income and some growth over the long term (5 years or more) by investing in global commercial property markets.

Global macro-outlook: scenario led assessment

The global macro-outlook remains highly uncertain, with outcomes best framed through a scenario based lens rather than a single track forecast. The current base case (early April) assumes a fragile geopolitical ceasefire, with energy prices remaining structurally higher than pre conflict levels and delivering lasting damage to global growth. While an outright escalation is not assumed, the probability of renewed conflict remains material, skewing risks towards weaker activity, renewed inflation pressure and a more restrictive rate environment than markets had anticipated at the start of the year.

Under the base case, global activity slows but avoids a deep recession, as resilient labour markets and household balance sheets provide partial insulation. However, energy intensive regions are more exposed, and downside scenarios quickly introduce stagflationary dynamics. A more adverse scenario is explicitly modelled, with weaker growth, higher inflation and renewed monetary tightening where inflation expectations risk becoming unanchored.

US growth has moderated but remains comparatively resilient. Inflation re accelerated sharply in March to 3.3%, largely reflecting energy and supply side pressures. Even so, the Federal Reserve is expected to forgo further hikes in the base case, provided inflation expectations remain anchored. In adverse scenarios, the policy bias shifts more hawkishly to contain second round effects.

The eurozone is one of the most exposed regions to higher energy costs, with activity weakening materially under stress scenarios. The ECB has clearly signalled a willingness to hike further if energy driven inflation persists, despite fragile growth dynamics. This leaves policy finely balanced between inflation credibility and recession risk. German fiscal easing does offer some impulse for growth in 2027 and beyond.

The UK faces an acute policy dilemma. Growth is already soft, but inflation risks remain elevated in adverse scenarios. As a result, the Bank of England may still be forced to tighten if inflation expectations deteriorate, even at the cost of weaker near term activity. However, the Bank of England has suggested rate hike expectations got "ahead of themselves". A full-blown recession is avoided in our base case.

Japan stands apart, with the Bank of Japan (BoJ) already exiting ultra loose policy prior to the crisis, and further rate hikes are increasingly likely over coming months as inflation normalises and wage dynamics strengthen. Japan is vulnerable to energy supply chain disruption and this could create a more significant inflation issue for the BoJ to tackle.



Figure 1: Aberdeen Global Macro Research Team Forecasts (TACOil scenario, 14 April 2026)

	GDP (%)				CPI (%)				Policy Rate (% , year-end)			
	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
US	2.1	2.3	2.2	2.1	2.7	2.8	2.2	2.0	3.6	3.4	3.1	3.1
UK	1.4	0.9	1.5	1.4	3.4	2.4	2.0	2.1	3.8	3.5	3.0	3.0
Japan	1.2	1.4	1.4	1.4	3.2	2.0	2.1	1.8	0.8	1.0	1.5	1.5
Eurozone	1.5	1.0	1.7	1.7	2.1	2.2	2.0	2.0	2.0	2.3	2.3	2.5
Brazil	2.6	1.4	2.0	2.3	5.0	4.2	4.1	4.2	15.0	12.3	10.0	9.5
India	7.5	6.9	7.5	7.1	2.2	3.8	3.6	4.0	5.3	5.3	5.5	5.5
China	5.0	4.6	4.3	4.0	0.1	1.3	0.9	1.5	1.4	1.3	1.2	1.1
Global	3.3	3.2	3.4	3.4	4.2	4.0	3.4	3.4				

Source: Aberdeen Global Macro Research, April 2026.

Australia shares characteristics of other energy exposed developed markets: moderating activity, slower disinflation and a central bank likely to remain cautious, keeping rates restrictive for longer relative to earlier market expectations. While uncertainty is unlikely to be helpful to Australia, higher commodity prices could be a tailwind for some parts of the economy.

Global real estate outlook

The global real estate market enters Q2 2026 facing significant geopolitical disruption through the conflict in the Middle East. This has undoubtedly created headwinds, dampening sentiment and impacting investment flows. While early 2026 had been a brighter start for the market, the conflict in the Middle East has almost certainly afflicted some damage on the outlook for the rest of the year.

Global real estate investment trusts (REITs) indicate how the outlook for direct real estate markets has changed, at least for the next six months. While there was an initial strong sell-off with annualized trailing REIT returns falling from 20% just prior to the conflict starting, to 10% in around 10 days, a notable rebound followed as a result of attempts to broker a peace agreement. Europe and the UK saw the strongest initial sell-off with returns almost hitting 0% for the year in mid-March. The US was more resilient, due to lesser impact from oil supply chain shocks. However, in recent days and following news of further rounds of peace talks, global REIT indices have climbed close to where they were prior to the beginning of the conflict. While a return to the recovery cycle without any scarring is highly unlikely, an end to hostilities would be positive for the outlook.

Operationally real estate is proving resilient to supply chain disruption, so far. Prime rents increased across almost all sectors and major regions last year, supported by resilient demand and limited new supply. Indeed, new record rents were achieved in many segments of the market globally. Residential, logistics, and prime office rents continue to outperform, with retail rents now showing sustained improvement. In Europe, retail rents rose by 2.6% over the year to September 2025, the fastest pace since at least 2009, owing to record low supply in some segments such as retail warehousing. Office vacancy rates, though still elevated, are stabilising as new construction activity has slowed markedly in Japan, the UK, US, and Europe. This restricted pipeline underpins expectations for resilient rental growth, particularly in urban centres and core locations.

Global investment activity had been showing signs of recovery prior to the conflict. Global transaction volumes rebounded with a 7% year-on-year increase in 2025, and early 2026 data suggested further improvement. However, sentiment has waned, halting some deals and creating more caution in the market. The Q1 2026 INREV Confidence Indicator fell from 59.6 to 54.1, remaining in positive territory, but notably weaker.

Global total returns had reflected a market buffeted by trade policy and geopolitical events. Global real estate returns stabilised at 5% in 2025 according to the MSCI Global Property Fund Index, with APAC (6.5%), Europe (5.7%) and the UK (5.6%) outperforming. North America dragged with 4.5%.

By sector, in many regions retail real estate has become the top-performing sector, surpassing industrial and logistics, as retail sales increased and labour markets remained resilient despite inflation risks. Residential assets saw mixed returns in 2025, but higher interest rates and inflation weighed on residential REITs in particular, reflecting increasing operational costs and squeezed relative value. The office sector lagged behind, yet the narrowing gap in returns between sectors signals broader market recovery.

Looking ahead, global real estate returns are forecast to average roughly 6.6% per annum over the next three years and 7.3% over five years. Under our base case, the pace of returns is expected to re-accelerate from 5% in the coming 12 months to about 7.5% by year three, as cyclical recovery returns. While arguably most exposed to the conflict, the UK and Europe are projected to outperform over three years, on the basis that energy trade resumes in the second half of the year. North America and Asia-Pacific are also expected to maintain performance, with returns between 6% and 7% per annum over three years. Residential and industrial assets should lead sector performance, though sector spreads will be less pronounced.

Fund positioning

Top 5 direct assets	Value Band
DC Goossens, Veghel, Doornhoek 3865, Veghel, The Netherlands	14.1%
44 Esplanade, Jersey, St Helier, Jersey, JE4 9WU	13.9%
11 Amour Street, Milperra, NSW	11.6%
52/54 and 56 Peck Seah Street	11.3%
Galeria Gniezno, Palucka 2, Gniezno, 62210	9.5%

Fund facts

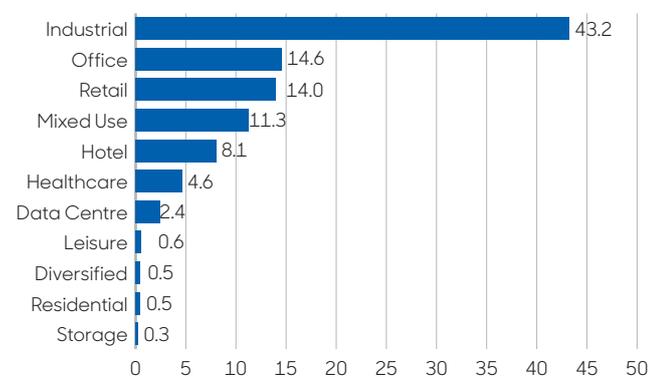
Fund size	£229.7m
Average lot size	£22.7m
Average lease length ¹	6.6 years
Number of direct properties	8
Number of tenancies	58
Distribution yield ²	3.20%
Standing Void ³	0.40%

¹ Average Unexpired lease term (to first break).

² Yields are historic based on the preceding 12 months' distributions as a percentage of the mid market unit/share price at date shown. Yields will vary, do not include any preliminary charges and investors may be subject to tax on distributions. Based on institutional income shareclass, net of fees at 30/09/2025.

³ Void rate excluding development and major refurbishment.

Sector allocation



Top 10 tenants (Direct only)	Contracted Rent (%)
Ogier	22.1
Goossens	19.2
Novum Hotels Sub GmbH	10.4
Jamestrong Packaging Australia Pty Ltd	9.1
Le Roy Logistique	8.3
Kohler	7.7
Acrow Formwork and Scaffolding	6.5
Carrefour	1.5
RESERVED	1.3
H&M	1.1

Figures exc Cash.

Top 5 listed holdings

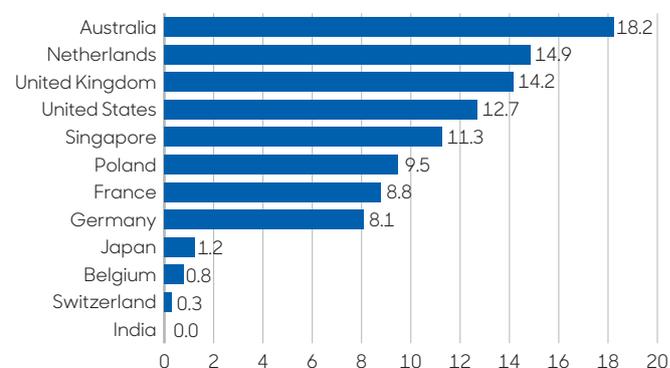
	Fund (%)
Welltower Inc	1.7
Prologis Inc	1.5
Ventas Inc	1.5
Equinix Inc	1.4
Digital Realty Trust Inc	1.0

Figures exc Cash.

Performance - % growth	3 mths	6 mths	1 yr	3 yrs	5 yrs
abrdn Global Real Estate Fund	1.32	2.97	6.43	1.49	2.37

Fund performance is quoted net of Institution Accumulation fees. Returns over 1 year are annualised.

Geographical breakdown



⁴ MSCI classify the Channel Islands as part of the UK for benchmarking purposes, this is the reason the asset in Jersey falls under the UK.



Fund Activity

During the quarter we trimmed healthcare owner Welltower to keep the position within mandate limits following a continued shareprice rally. In the data centre sector we re-weighted exposure from Digital Realty in favour of Equinix in line with our performance outlook for this sector.

In the direct portfolio we agreed terms and progressed due diligence on the sale of the Melbourne industrial asset. At the Sydney industrial asset we agreed terms to extend the incumbent tenant's lease by a further 5 years and in the process have captured a significant rental uplift reflecting this location's strong market growth in recent years.

Fund Performance

During Q1 the Institutional accumulation units delivered a net return of 1.32%.

The listed portfolio returned 4.49% during the quarter, with strong returns in the first two months more than offsetting stock market weakness in March driven by macroeconomic uncertainty following commencement of the Middle East conflict.

Across the quarter the greatest performance contributors were data centre owners Digital Realty & Equinix and healthcare landlord Welltower. Detractors included logistics owners CTP and Goodman.

Within the direct portfolio the greatest contributor was the French logistics asset in Cholet which benefited from the indexation of rental income. The Dutch logistics asset at Veghel was the greatest detractor over the quarter experiencing outward yield movement due to recent comparable transactional evidence.

Fund Strategy

At the quarter end terms had been agreed to sell the Melbourne logistics asset, the due diligence process was substantially complete with exchange expected in the early part of Q2. Additionally the Sydney and Veghel logistics assets were also being marketed for sale. These sales, if consummated will progress the Fund's transition to an equally balanced direct / listed product.

Risk profile

Investors should be aware of the following risk factors:

- (a) Commercial property is less liquid than other asset classes such as bonds or equities. Selling property can be a lengthy process so investors in the fund should be aware that they may not be able to sell their investment when they want to.
- (b) Commercial property transaction charges are higher than those which apply in other asset classes. Investors should be aware that a high volume of transactions would have a material impact on fund returns.
- (c) Property valuation is a matter of judgement by an independent valuer and is therefore a matter of the valuer's opinion rather than fact.
- (d) The fund invests in equities and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- (e) Dividend payment policies of the REITs in which the fund invests are not representative of the dividend payment policy of the fund.
- (f) The fund may invest in emerging market equities and/or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- (g) The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- Past performance is not a guide to future returns and future returns are not guaranteed. The price of assets and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.
- The fund does not make extensive use of derivatives.
- The fund employs a single swinging pricing methodology to protect against the dilution impact of transaction costs. A change in the pricing basis will result in movement in the fund's published price. All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained.
- Inflation reduces the buying power of your investment and income.
- The value of assets held in the fund may rise and fall as a result of exchange rate fluctuations.
- The fund could lose money if an entity (counterparty) with which it does business becomes unwilling or unable to honour its obligations to the fund.
- In extreme market conditions some securities may become hard to value or sell at a desired price. This could affect the fund's ability to meet redemptions in a timely manner.
- The fund could lose money as the result of a failure or delay in operational processes and systems including but not limited to third party providers failing or going into administration.

Historical Performance of the Fund

The following table shows the percentage growth of the fund and the historical performance data of the fund over the periods stated below.

Performance	31 Mar 2026	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021
abrdn Global Real Estate Fund	6.43	(1.18)	(0.61)	(3.58)	11.55	(1.48)
Performance Target: To generate a return of 5% per annum over rolling three year periods, after charges	-	5.00	5.00	5.00	5.00	1.23

Source: Factset and Aberdeen.

Basis: NAV to NAV, The above figures are based on Institution Accumulation Units, GBP.

* Benchmark: IPD Direct/MSCI World Real Estate Custom Index to 31/12/19, 0% to 31/12/2020, 5% p.a thereafter

Data regarding the performance target is not available for the period from 31/12/2019 to 31/12/2020 as the index provider ceased to calculate any index returns during this period. As of 01/01/2021, the fund has moved to a total return benchmark, aiming to generate a total return of 5% p.a. (after charges) over rolling three year periods. The fund comparator from 01/01/2021 to 31/07/2025.

abrdn Global Real Estate Fund

Quarterly Update – Q1 2026



Important information

This document is intended for use by individuals who are familiar with investment terminology. To help you understand this fund and for a full explanation of specific risks and the overall risk profile of this fund and the shareclasses within it, please refer to the Key Investor Information Documents and Prospectus which are available on our website – www.aberdeeninvestments.com.

Aberdeen has not considered the suitability of investment against your individual needs and risk tolerance. If you are in any doubt as to whether this fund is suitable for you, you should seek advice. An advisor is likely to charge for advice. We are unable to provide investment advice.

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