

This is for professional investors for all countries. In Switzerland for qualified investors only.

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KID / KIID before making any final investment decisions.

The abrdrn Future Real Estate UCITS ETF quarterly update provides an overview of the market; fund performance, positioning and portfolio changes; and the fund manager's outlook for the months ahead.

abrdrn Future Real Estate UCITS ETF, a US Dollar denominated sub fund of abrdrn III ICAV. This Fund is managed by Carne Global Fund Managers (Ireland) Limited (the "Manager").

OBJECTIVES AND INVESTMENT POLICY

Investment objective

To generate growth over the long term (5 years or more) by investing in listed real estate investment trusts ("REITs") and equities (company shares) of companies engaged in real estate-related activities globally.

Performance Target: To outperform the FTSE EPRA NAREIT Developed Net Index (the "Benchmark Index") before charges. There is however no certainty or promise that the Fund will achieve the Performance Target. The Investment Manager believes this is an appropriate target for the Fund based on the investment policy of the Fund and the constituents of the Benchmark Index.

Risks

All investment involves risk. This fund offers no guarantee against loss or that the fund's objective will be attained. 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. 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.

Equity risk

The fund invests in equity 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.

Concentration risk

A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector.

ESG risk

Applying ESG and sustainability criteria in the investment process may result in the exclusion of securities within the fund's benchmark or universe of potential investments. The interpretation of ESG and sustainability criteria is subjective, meaning that the fund may invest in companies which similar funds do not (and thus perform differently), and which do not align with the personal views of any individual investor.

Real estate investment trust risk

Dividend payment policies of the REITs in which the fund invests are not representative of the dividend payment policy of the fund.

Derivative risk

The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure among 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.

abrdn Future Real Estate UCITS ETF

Ticker: AREG

Quarterly Update – Q4 2025

Market commentary

Global REIT performance in the fourth quarter of 2025 reflected a period of cross current influences, as easing monetary policy initially supported a rebound before renewed uncertainty tempered momentum into the year end. US REITs underperformed during the quarter, while global REITs demonstrated far more resilience. Global strength was supported by stronger performance across the Asia Pacific and Europe. Notably, Japan and Hong Kong led global REIT returns, benefiting from improving financial conditions and supportive demand fundamentals.

Despite the quarter's volatility, underlying fundamentals remained broadly supportive. Senior housing REITs, regional malls and lodging outperformed meaningfully, driven by improving earnings momentum and defensive cash flow attributes. Performance lagged in more capital intensive and sentiment sensitive areas, such as data centres, offices and residential REITs. The macro environment – marked by the Federal Reserve's renewed easing cycle, softening inflation and cooling global trade tensions – helped to stabilise capital markets, even as rate sensitive sectors showed mixed responses. Overall, the fourth quarter underscored the growing divergence across regions and sectors within the REIT universe, while also setting the stage for potentially improved conditions in 2026 as monetary easing progresses and global fundamentals continue to normalise.

Outlook

Global real estate enters 2026 on firmer footing, with improving fundamentals, moderating inflation and increasingly accommodative monetary policy creating a more supportive backdrop for returns. Market conditions strengthened in late 2025 and momentum is expected to build as lower interest rates, constrained new supply and stable economic growth improve both liquidity and earnings visibility across regions. Investor sentiment is turning more constructive, supported by rising capital flows and broadening demand across multiple sectors. The combination of tightening supply pipelines, easing refinancing headwinds and expanding transaction volumes positions the sector for an incremental, but still selective recovery.

As a result, we are focused on sectors and companies where we see opportunities to increase rents in the near term, with strong structural tailwinds supporting longer-term growth. We have also increased the Fund's allocation to less economically sensitive sectors, which we believe will better preserve their valuations.



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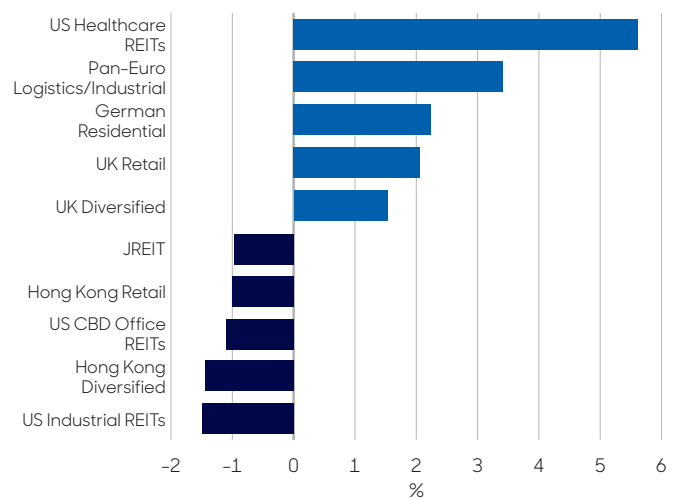
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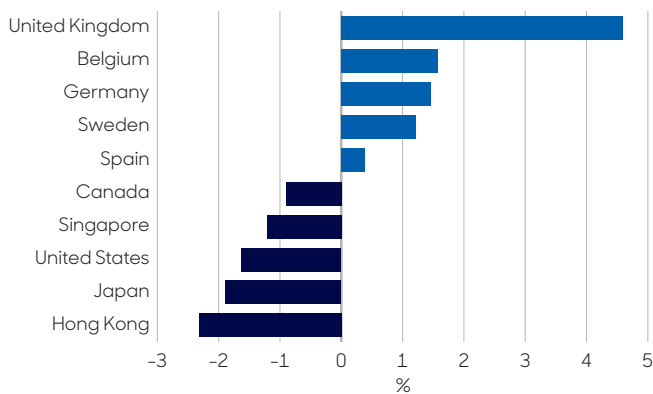
Top and bottom five stocks versus benchmark¹

| | Fund (%) | Benchmark ¹ (%) | Relative (%) |
|---|----------|----------------------------|--------------|
| Ventas, Inc. | 3.76 | 1.96 | 1.80 |
| Shaftesbury Capital Plc | 1.73 | 0.15 | 1.57 |
| LondonMetric Property Plc | 1.83 | 0.31 | 1.53 |
| Dexus | 1.77 | 0.26 | 1.50 |
| Mapletree Industrial Trust | 1.66 | 0.18 | 1.48 |
| Mid-America Apartment Communities, Inc. | - | 0.87 | (0.87) |
| Sun Hung Kai Properties Limited | - | 0.91 | (0.91) |
| Invitation Homes, Inc. | - | 0.91 | (0.91) |
| Extra Space Storage Inc. | 0.25 | 1.48 | (1.23) |
| Iron Mountain, Inc. | - | 1.31 | (1.31) |

Top and bottom five sectors versus benchmark¹



Top and bottom five countries versus benchmark¹



Fund facts

| | |
|---------------------|---|
| Fund size (USD) | \$90.25m |
| Number of holdings | 138 |
| ISIN | IE000GGQK173 |
| Inception date | 1st March 2023 |
| TER | 0.40% |
| Base currency | USD |
| Ticker | AREG (GBP), R8TA (USD), R8T (EUR), AREC (CHF) |
| Benchmark index | FTSE EPRA NAREIT Developed Net Index |
| SFDR classification | Article 8 |

¹ Portfolio Holdings As Of Date: abrdn Future Real Estate UCITS ETF - Transactions 31 Dec-2025.
Benchmark Holdings As Of Date: FTSE EPRA Nareit Developed 31 Dec-2025.
All other information as at 31 December 2025 unless specified.

Performance (%)

| | Since Inception ¹ (%p.a) | 1 mth | 3 mths | YTD | 1 yr | 3 yrs | 5 yrs | 10 yrs |
|---|-------------------------------------|--------|--------|------|------|-------|-------|--------|
| abrdn Future Real Estate UCITS ETF NAV | 4.53 | (1.32) | (1.26) | 6.67 | 6.67 | n/a | n/a | n/a |
| abrdn Future Real Estate UCITS ETF Share price | 4.77 | (0.84) | (0.12) | 8.91 | 8.91 | n/a | n/a | n/a |
| FTSE EPRA Nareit Developed Net Return Index (USD) | 6.01 | (1.18) | (0.73) | 9.57 | 9.57 | 6.64 | 2.76 | 3.25 |

¹ Inception date 01/03/2023.



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Positive Performance Drivers

- The Fund's overweight exposure to the pan-European logistics sector was the largest contributor to performance in the quarter. Improving leasing activity following the 'Liberation Day' disruption and a pick-up in manufacturing activity in continental Europe due to the trends for near-shoring led to better-than-expected earnings growth.
- The Fund's underweight exposure to the US central business district office sector benefited performance as the sector underperformed during the reporting period. Concerns about the new mayor's policies affecting demand in New York City alongside uncertainty around AI's impact on future office use led to the underperformance.
- An overweight position in the UK retail sector benefited Fund performance during the quarter, as a resilient consumer and lack of new supply boosted investor confidence in the sector.

Negative Performance Drivers

- The Fund's overweight position in US communications and data centre REITs was the largest drag on performance in the quarter. The sector materially underperformed due to concerns about the sustainability of AI demand and the profitability of the leases, despite strong levels of demand from hyperscalers.
- An overweight exposure to the pan-European student housing sector detracted from performance. Unite Group, the largest company in the sector, indicated that leasing for the 2025/26 school year was lagging expectations and prior years. This raised concerns that the company would have to either drastically reduce rental rates and/or have lower occupancy for the school year, which would negatively affect earnings growth in 2026.
- An overweight allocation to the German residential sector negatively affected performance. Rising interest rates more than offset positive industry fundamentals, leading to the underperformance.

Annual returns to 31 December 2025 (%)

| | 1 year to 31/12/25 | 1 year to 31/12/24 | 1 year to 31/12/23 | 1 year to 31/12/22 | 1 year to 31/12/21 | 1 year to 31/12/20 | 1 year to 31/12/19 | 1 year to 31/12/18 | 1 year to 31/12/17 | 1 year to 31/12/16 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| abrdn Future Real Estate UCITS ETF NAV | 6.67 | (1.22) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| abrdn Future Real Estate UCITS ETF Share price | 8.91 | (3.84) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| FTSE EPRA Nareit Developed Net Return Index (USD) | 9.57 | 0.94 | 9.67 | (25.09) | 26.09 | (9.04) | 21.91 | (5.63) | 10.36 | 4.06 |

Fund inception date 1st March 2023.

Past Performance is not a guide to future performance. The price of shares 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.

For full details of the fund's objective, policy, investment and borrowing powers and details of the risks investors need to be aware of, please refer to the prospectus.

The fund does not have an index-tracking objective.



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Important information

The fund is a sub fund of abrdn III ICAV, an open-ended umbrella fund which is regulated by the Central Bank of Ireland and with segregated liability between sub-funds registered in the Republic of Ireland (no. C469164) at 70 Sir John Rogerson's Quay, Dublin 2.

This fund is categorised as Article 8 under SFDR. Details of Aberdeen's Sustainable and Responsible Investment Approach are published at aberndeeninvestments.com under Sustainable Investing.

This fund concerns the acquisition of units/shares in a fund, and not in a given underlying asset such as a building or shares of a company.

Any decision to invest should take into account all objectives of the fund. To help you understand this fund and for a full explanation of risks and the overall risk profile of this fund and the share classes within it, please refer to the Key Investor Information Documents available in the local language, and Prospectus available in English, which are available on our website aberndeeninvestments.com. The Prospectus also contains a glossary of key terms used in this document.

A summary of investor rights can be found in English under Group Policies on the Manager's website <https://www.carnegroup.com/wp-content/uploads/2022/03/Carne-Group-Summary-of-Investor-Rights-1.pdf>.

This information is intended to be of general interest only and should not be considered as an offer, investment recommendation or solicitation to deal in the shares of any securities or financial instruments. Subscriptions for shares in the fund may only be made on the basis of the latest prospectus, relevant Key Investor Information Document (KIID) or Key Investor Document (KID) as applicable and, in the case of UK investors, the Supplementary Information (SID) for the fund which provides additional information as well as the risks of investing. These may be obtained free of charge from Aberdeen. All documents are also available on aberndeeninvestments.com.

Further information about the **abrdn Future Real Estate UCITS ETF** can be obtained from the prospectus, supplement to the prospectus and latest annual and semi-annual reports once available. These documents are available in English, are free of charge and can be obtained along with other information such as unit prices, from aberndeeninvestments.com, the Manager, or the **Paying agent: EU/EEA territories: europeanfacilitiesagent@carnegroup.com UK facilities agent: UKfacilities@carnegroup.com**.

The Manager may terminate arrangements for marketing the fund under the Cross-border Distribution Directive denotification process.

In the United Kingdom: The conditions set out in regulation 63 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 have been satisfied with respect to the fund, with the result that the fund is treated as a recognised scheme for the purposes of Part XVII of the Financial Services and Markets Act 2000. For so long as the fund is treated as a recognised scheme, the fund may be promoted, and Shares in the fund may be marketed, to the general public in the United Kingdom, notwithstanding the United Kingdom's withdrawal from the European Union. This document and the information contained herein may only be distributed by an Authorised Person in accordance with the FCA rules.

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Before making an investment in the fund, investors should take steps to ensure that they fully understand the investment risks associated with the fund and have made an independent assessment of the appropriateness of an investment in the fund in light of their own objectives and circumstances.

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