

AE Invest AG
HR A (G)
Stable Outlook

CHF35.0m Term
Loan
HR A (G)
Stable Outlook
H2630#AA0



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Information Disclosure Form Rule 17g-7

The Rating Action Commentary (RAC) associated with this disclosure form is an integral part of the form.

1. **Symbol, Number, or Score in the Rating Scale used by HR Ratings as required by Paragraph (a)(1)(ii)(A) of Rule 17g-7:**

Entity/Instrument	Rating Action	Rating Type	Rating Code
AE Invest AG	Assigned	Long Term Rating	HR A (G) / Stable Outlook
CHF35.0m Term Loan	Assigned	Long Term Rating	HR A (G) / Stable Outlook

2. **Version of the Procedure or Methodology used to determine the credit rating as required by Paragraph (a)(1)(ii)(B) of Rule 17g-7:**

The rating assigned by HR Ratings to the entity is based in accordance with the following methodologies established by the rating agency:

- Corporate Debt Credit Risk Evaluation, February 2024.
https://www.hrratings.com/docs/metodologia/Corporates_2024.pdf



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- General Methodological Criteria, October 2024.

https://www.hrratings.com/docs/metodologia/General_Methodological_Criteria_2024.pdf

3. Main assumptions and principles used in constructing the procedures and methodologies to determine the credit rating as required by Paragraph (a)(1)(ii)(C) of Rule 17g-7

Based on the Corporate Debt Credit Risk Evaluation Methodology:

The methodology describes the process used to assess the ability and willingness to meet corporate debt payment obligations in a timely manner and as originally agreed, including dependent structured debt and real estate investment trusts. The process consists of a quantitative analysis based on four financial metrics (three for structured debt) and an analysis allowing for qualitative adjustments, including adjustments related to ESG factors.

The corporate methodology involves the creation of financial models based on HR Ratings projections and when relevant historical performance data. The projections are made under a Base and Stress scenario, both incorporating the relevant historical data. The formal rating period generally incorporates five years of information. The four metrics used in this analysis are: (i) debt service coverage; (ii) debt service coverage including end of previous period cash (iii) years to payment, which measures the ratio between annual free cash flow and net debt; and (iv) the ratio between a market value estimate of corporate assets and its total liabilities. For real estate companies, the fourth metric is replaced by the loan to value ratio.

For both the Base and Stress scenarios the annual weighted average of each metric value is calculated. These annual averages are converted into a numerical rating scale, which is the same for each metric. Subsequently, and for each scenario, the weighted average of the metric numerical ratings is calculated. The final quantitative score is the weighted average of the two scenarios. If historical information is available, this process generally considers two reported and three projected years. However, the methodology considers the possibility of using different rating or time periods, with fewer reported years, and in the case of real estate leasing companies with seven instead of five years.

The rating obtained through this quantitative analysis can be adjusted positively or negatively by applying qualitative notches, which are divided into two categories: general and ESG. General adjustments refer to factors that could over time affect the quantitative rating especially when HR Ratings concludes that these factors cannot be adequately incorporated into the quantitative models. This includes ESG factors that are analyzed to determine their significance for and potential influence on credit risk. The environmental factor analyzes the corporate's environmental approach and policies, considering its lines of business and daily operations, as well as exposure to natural phenomena and environmental regulations. For the social factor, the business approach is evaluated first then the corporate policies regarding all levels of employee benefits, career plans and ability to retain talent and inclusion are evaluated.

Finally, the corporate governance analysis considers five aspects: (i) internal regulations of the corporation, considering their scope, formality and mechanisms for continuous adaptation, (ii) quality of senior management and administration, considering



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their financial strategies and history of crisis management, (iii) transparency and quality of the information provided, as well as history of non-compliance, (iv) risk associated with the regulatory framework to which each corporation is susceptible and the risk associated with the macroeconomic environment, and (v) management and mitigation strategies associated with the entity's operational risk, as well as the technological tools available for performing daily operations.

The rating incorporates one negative qualitative adjustment related to Project Risk, as the development remains exposed to potential construction delays, cost overruns, or other execution challenges that could extend the construction timeline, delaying revenue recognition and reducing projected Free Cash Flow.

- Based on the General Methodological Criteria Methodology:

Influential Ratings

In certain analysis processes, HR Ratings requires a credit evaluation or analysis of entities for which it does not have an assigned rating. In such cases, HR Ratings will use a rating issued by another rating agency, which is defined as an Influential Rating. The Influential Rating must have been assigned by rating agencies authorized by the regulators of each jurisdiction, and HR Ratings may decide in each case whether or not to consider it to assign ratings, based on the different applicable methodologies. If an Influential Rating is used, HR Ratings must follow up on it in accordance with its internal policies and procedures in order to monitor any possible changes to such rating that could affect the analysis performed by HR Ratings.

HR Rating considered the sovereign rating of Switzerland by S&P Global Ratings of AAA with Stable Outlook reviewed on March 27, 2026 and Fitch Ratings of AAA with Stable Outlook reviewed on February 6, 2026, this resulted in an equivalent HR rating of HR AAA (G) with Stable Outlook.

4. Potential limitations of the credit rating as required by Paragraph (a)(1)(ii)(D) of Rule 17g-7

- HR Ratings does not validate, guarantee, or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information.
- Ratings and/or opinions assigned by HR Ratings are based on an analysis of the creditworthiness of an entity, issue, or issuer, and do not necessarily imply a statistical likelihood of default.
- The credit ratings do not opine on the liquidity of the issuer's securities or stock.
- The credit ratings do not consider the possible loss severity on an obligation default.
- The credit ratings are not an opinion of the market value of any issuer's securities or stock, or the possibility that this value suffer a deterioration.

5. Information on the uncertainty of the credit rating as required by Paragraph (a)(1)(ii)(E) of Rule 17g-7

The Analysis Committee noted no material limitations on the reliability, accuracy and quality on the data relied on in determining the credit rating.



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The third party did not provide HR Ratings with audited or historical financial information due to the Project is still under construction and therefore is not generating income yet. This was not considered as lack of information.

6. Use of third-party due diligence services as required by Paragraph (a)(1)(ii)(F) of Rule 17g-7

HR Ratings did not use third party due diligence services for the rating.

7. Use of servicer or remittance reports to conduct surveillance of the credit rating as required by Paragraph (a)(1)(ii)(G) of Rule 17g-7

HR Ratings did not use servicer or remittance reports for the rating.

8. Description of types of data about any obligor, issue, security or money market instrument relied upon for determining credit rating as required by Paragraph (a)(1)(ii)(H) of Rule 17g-7

Among the main information used for the rating is:

- Valuation Report by CBRE, provided by a third party.
- Investment Memo, provided by a third party
- Project Monitoring Initial Report by CBRE, provided by a third party.
- Credit Agreement, provided by a third party.
- Utilization Request of March 2026, provided by a third party.

9. Overall assessment of quality of information available and considered in determining credit rating as required by Paragraph (a)(1)(ii)(I) of Rule 17g-7

The quality of the information provided by the entity is considered to be consistent with the quality observed in ratings that use a similar methodology.

10. Information relating to conflicts of interest as required by Paragraph (a)(1)(ii)(J) of Rule 17g-7

The aforementioned rating was not requested by the entity or issuer, or on its behalf. However, the rating was requested by an investor whose identity is kept confidential to the general public, therefore, HR Ratings has received from the investor the corresponding fees for the provision of its rating services. The following information can be found on our website <https://www.hrratings.com/>: (i) The internal procedures for the monitoring and surveillance of our ratings and the periodicity with which they are formally updated, (ii) the criteria used by HR Ratings for the withdrawal or suspension of the maintenance of a rating, (iii) the procedure and process of voting on our Analysis Committee, and (iv) the rating scales and their definitions.



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HR Ratings was paid for services other than determining credit ratings during the most recently ended fiscal year by the person that paid to determine this credit rating.

11. Explanation or measure of potential volatility to the credit rating as required by Paragraph (a)(1)(ii)(K) of Rule17g-7

1. Factors that are reasonably likely to lead to a change in the credit rating:
 - **Timely Project Completion.** Timely and on-budget construction completion would mitigate project risk and potentially remove a negative qualitative adjustment, resulting in a minimal positive rating impact.
 - **Sales Milestones.** If the Company fails to achieve the presales volume required by the Credit Agreement deadlines, it could negatively impact the rating, from a minimum to a strong extent.
 - **Sovereign Risk.** If the Sovereign Rating of Switzerland where the Company operates is lowered, the rating could have a minimum negative impact on the rating.
2. The magnitude of the change that could occur under different market conditions determined by HR Ratings to be relevant to the rating:
 - **Higher Competition.** If the Project performs its operations in a more competitive environment, this could reduce the expected units' sale schedule affecting the FCF generation, resulting in a negative minimum to moderate impact on the rating.
 - **Regulatory and Compliance Risk.** The Project must comply with Switzerland's strict regulatory framework governing real estate development, including zoning regulations, environmental standards, and construction codes. Failure to maintain compliance with applicable federal and municipal requirements could leads to delays. This could lead to a minimum negative impact on the rating.

NOTE: The Credit Analysis Committee must convene to review and discuss the changes that could occur under different market conditions. All the ratings issued by HR Ratings must be approved by the Credit Analysis Committee in accordance with the applicable methodology and the information available at the time. However, the magnitude of a potential change in the rating that could reasonably occur as a result of the impact of the factors listed above are characterized by the following summary chart:

Rating change impact	Number of notches
Minimum	(0-1)
Moderate	(2 - 3)
Strong	>3



12. Historical performance and expected probability of default and expected loss in event of default as required by Paragraph (a)(1)(ii)(L) of Rule 17g-7

For historical performance of each rating listed in the disclosure form, click on the link in the ratings table presented on the first page.

Our credit ratings need to be understood as rankings of the relative creditworthiness of different entities or credits. Creditworthiness takes into consideration both the ability and willingness to meet debt obligations in the manner prescribed in the relevant documentation. Default refers to the noncompliance of previously agreed obligations. As our ratings measure relative creditworthiness, they do not necessarily reflect any specific statistical probability of default. However, HR Ratings provides to the market participants the default rate for historical default and loss statistics for the class or subclass of the credit rating. Although the default rate is not the expected probability of default or loss given default, we consider it the ratio that could be interpreted by market participants as such. The default rate for each of the asset classes in which HR Ratings provides ratings and for each rating category is publicly available for each calendar year at: https://www.hrratings.com/regulatory_disclosure/transition_matrix.xhtml

13. Assumptions made by HR Ratings in determining announced credit ratings and examples of how assumptions impact the rating as required by Paragraph (a)(1)(ii)(M) of Rule 17g-7

1. Assumptions made in the ratings process that, without accounting for any other factor, would have the greatest impact on the credit rating if proven false or inaccurate:

HR Ratings bases its ratings and/or opinions on information obtained from sources that are believed to be accurate and reliable. The assumption is that the information provided is reliable and credible, however, does not validate, guarantee or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information.

- **Development and Milestones.** Project construction is scheduled for completion in 4Q27, aligning with the Credit Agreement's Required Completion Date of 30 December 2027. Additionally, the Project is expected to be on track to meet the Notarized Sale Agreement milestones stipulated for March 2027, December 2027, and June 2028.
- **Revenue and EBITDA.** The Project recognizes revenue at a single point in time upon unit delivery at practical completion. Consequently, buyer deposits are recorded as other liabilities during construction and recognized as income only upon final delivery. With practical completion scheduled for 4Q27, HR Ratings assumes a CHF59.7m of revenue in 2027, with the remaining CHF6.3m to be recognized in 2028 as the final units are delivered. As such, HR Ratings assumes an EBITDA of CHF18m in 2027 and CHF1.9m in 2028.
- **Free Cash Flow.** During construction (2026–2027), costs are capitalized into inventory instead of expensed, generating significant working-capital outflows and negative FCF. Conversely, cash deposits from notarized sales are held as contract liabilities, partially mitigating these builder outflows. Upon practical completion, units are delivered, inventory is released against recognized sales, and deposit liabilities are settled as revenue is booked and final proceeds are collected. Thus, HR Ratings assumes a FCF of CHF48.2m in 2027 and CHF6.3m in 2028.



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- **Financing Structure.** The Project is funded by a CHF35.0m senior facility (fixed 5.0% all-in, fully drawn) and CHF15.0m of sponsor equity. Total debt peaks at the limit during construction and fully amortizes at practical completion from disposal proceeds, with net debt turning negative from 2027 -CHF7.2m as assumed by HR Ratings and further assumes the surplus proceeds distributed to the Sponsor as dividends of: CHF17.9m in 2027 and CHF13.5m in 2028.
 - **Debt Metrics.** Negative FCF drives both DSCR and DSCR with Cash metrics to 0.0x and Years to Payment to its weakest 21-year level in 2025–2026. However, as FCF improves, DSCR and DSCR with Cash recover to weighted averages of 1.3x and 2.0x over 2026–2029, while Years to Payment drops to its strongest 0.0-year level for 2027–2029.
2. Analysis, using specific examples, of how each of the assumptions identified in the preceding paragraph impacts the credit rating:
- Delays in either the construction phase or the unit sales phase, and the subsequent missing of Notarized Sale Agreement milestones, could negatively impact the Project's rating. The rating could also be negatively impacted if the Project's budget deviates significantly from our projected scenarios.
 - Any delay in finalizing notarized sales agreements will further pressure revenue recognition. Additionally, though the Credit Agreement permits only a 10%-unit price discount, these discounts could be deployed to liquidate inventory under an adverse scenario. A resulting 19.7% cumulative revenue difference vs. base scenario and 43.2% EBITDA difference over 2026–2029 could be reflected in a negative impact on the rating.
 - If the Company generates a lower FCF, that reflects a weighted average of CHF8.7m, as assumed by HR Ratings, between 2026-2029 compared to CHF13.0m in the base scenario due to lower revenue and EBITDA, the rating could be downgraded due to weaker cash flow generation.
 - A slower sales absorption rate and construction delays would postpone disposal proceeds, deferring facility amortization. Combined with budget overruns, which would increase the leverage profile, this would extend the period of outstanding debt and increase interest expenses, potentially having a negative impact on the rating.
 - Driven by lower FCF, debt metrics will weaken relative to the base case. A weighted average DSCR and DSCR with cash will drop to 1.1x and 1.5x (from 1.3x and 2.0x, respectively), could have a negative impact on the rating.

14. Representations, warranties and enforcement mechanisms available to investors as required by Paragraph (a)(1)(ii)(N) of Rule 17g-7

The reporting of representations, warranties, and enforcement mechanisms does not apply to any of the credit ratings listed.



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Credit Rating Attestation

I, Elizabeth Martinez, Corporates Associate Director, have the responsibility for this rating action and, to the best of my knowledge:

- No part of the credit rating was influenced by any other business activities.
- The credit rating was based solely upon the merits of the obligor, security, or money market instrument being rated; and
- The credit rating was an independent evaluation of the credit risk of the obligor, security, or money market instrument

Mexico City, July 23, 2026

/s/ Elizabeth Martinez
Corporates Associate Director
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* HR Ratings, LLC (HR Ratings), is a Credit Rating Agency registered by the Securities and Exchange Commission (SEC) as a Nationally Recognized Statistical Rating Organization (NRSRO) for the assets of public finance, corporates and financial institutions as described in section 3 (a) (62) (A) and (B) subsection (i), (iii) and (v) of the US Securities Exchange Act of 1934.

The aforementioned rating was not requested by the entity or issuer, or on its behalf. However, the rating was requested by an investor whose identity is kept confidential to the general public, therefore, HR Ratings has received from the investor the corresponding fees for the provision of its rating services. The following information can be found on our website <https://www.hrratings.com/>: (i) The internal procedures for the monitoring and surveillance of our ratings and the periodicity with which they are formally updated, (ii) the criteria used by HR Ratings for the withdrawal or suspension of the maintenance of a rating, (iii) the procedure and process of voting on our Analysis Committee, and (iv) the rating scales and their definitions.

The ratings and/or opinions of HR Ratings are opinions regarding the credit quality and/or the asset management capacity, or relative to the performance of the tasks aimed at the fulfillment of the corporate purpose, by issuing companies and other entities or sectors, and are based on exclusively in the characteristics of the entity, issue and/or operation, regardless of any business activity between HR Ratings and the entity or issuer. The ratings and/or opinions granted are issued on behalf of HR Ratings and not of its management or technical personnel and do not constitute recommendations to buy, sell or maintain any instrument, or to carry out any type of business, investment or operation, and may be subject to updates at any time, in accordance with the rating methodologies of HR Ratings.

HR Ratings bases its ratings and/or opinions on information obtained from sources that are believed to be accurate and reliable. HR Ratings, however, does not validate, guarantee or certify the accuracy, correctness or completeness of any information and is not responsible for any errors or omissions or for results obtained from the use of such information. Most issuers of debt securities rated by HR Ratings have paid a fee for the credit rating based on the amount and type of debt issued. The degree of creditworthiness of an issue or issuer, opinions regarding asset manager quality or ratings related to an entity's performance of its business purpose are subject to change, which can produce a rating upgrade or downgrade, without implying any responsibility for HR Ratings. The ratings issued by HR Ratings are assigned in an ethical manner, in accordance with healthy market practices and in compliance with applicable regulations found on the www.hrratings.com rating agency webpage. HR Ratings' Code of Conduct, rating methodologies, rating criteria and current ratings can also be found on the website.

Ratings and/or opinions assigned by HR Ratings are based on an analysis of the creditworthiness of an entity, issue or issuer, and do not necessarily imply a statistical likelihood of default, HR Ratings defines as the inability or unwillingness to satisfy the contractually stipulated payment terms of an obligation, such that creditors and/or bondholders are forced to take action in order to recover their investment or to restructure the debt due to a situation of stress faced by the debtor. Without disregard to the aforementioned point, in order to validate our ratings, our methodologies consider stress scenarios as a complement to the analysis derived from a base case scenario. The fees HR Ratings receives from issuers generally range from US\$1,000 to \$1,000,000 (one million dollars, legal tender in the United States of America) (or the equivalent in another currency) per offering. In some cases, HR Ratings will rate all or some of a particular issuer's offerings for an annual fee. Annual fees are estimated to vary between \$5,000 and US\$2,000,000 (five thousand to two million dollars, legal tender in the United States of America) (or the equivalent in another currency).

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