Global Property Fund

► Focused. Transparent. Quality.

NEDGROUP INVESTMENTS

July 2026 update | ISIN for Class C USD: IE00BD9Y5201

MARKETING COMMUNICATION

Our investment approach

- We allocate capital actively across countries, sectors and companies.
- We conduct intense scrutiny of the underlying real estate held by each company.
- We recognise that real estate is cyclical and capital intensive and believe that management skill is critical.
- The portfolio is constructed in an approach that is high conviction and agnostic.

Portfolio management team

Andrew Parsons

30+ years experience

Marco Colantonio

30+ years experience

Robert Promisel

30+ years experience

Julian Campbell-Wood

21 years experience

In this monthly note, we share the Fund's return drivers over recent periods, current portfolio positioning and put the spotlight on a stock in the portfolio.

Performance and markets

The FTSE EPRA/NAREIT Developed Index (USD) produced a total return of 2.7% for the month ended 31 July 2026. Performance was supported by increased transaction activity across the real estate sector. Several notable mergers, acquisitions and joint ventures were announced, providing evidence of private market demand for high-quality assets and supporting underlying valuations.

Hong Kong was the strongest performing market, returning 11.0% in local currency terms. Performance was supported by improving sentiment toward the property sector as investors saw growing evidence of stabilisation in real estate fundamentals following a period of weak relative performance. Deeply discounted valuations, improving retail trends and a more constructive outlook drove a sharp rebound across the sector.

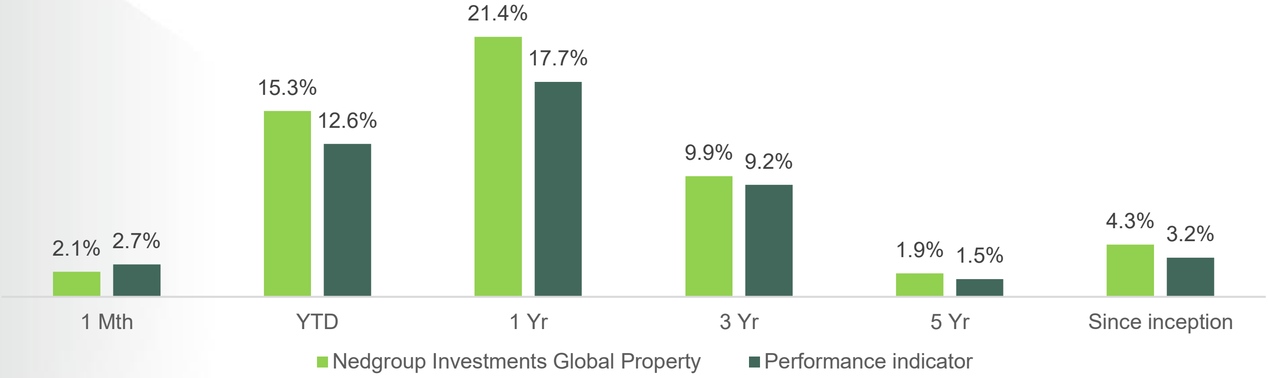
Australia was the weakest performing market, returning -0.4% in local currency terms. Performance lagged despite generally stable operating fundamentals, as investors debated the potential for further monetary tightening given persistent inflation. In addition, Goodman Group (GMG), which comprises approximately one-third of the benchmark's Australian exposure, modestly underperformed due to concerns around its sizeable data centre development pipeline as AI infrastructure sentiment softened during July.

Sector level performance was mixed in July. Industrial was the best-performing sector, returning 4.2% in local currency terms. Performance was driven by several high-profile M&A announcements, including Prologis' (PLD) pursuit of Segro (SGRO), the proposed WDP/Argan merger, and Brookfield's acquisition of LXP Industrial Trust (LXP), reinforcing the strategic value of logistics assets and robust private market demand. The sector also benefited from a more constructive outlook for fundamentals following the recent earnings season. The Portfolio's underweight detracted from relative returns.

Residential was the weakest sector, returning -1.4% in local currency terms. Investor sentiment remained constrained by elevated apartment supply in several U.S. Sun Belt markets. Expectations were already subdued entering July and investors remained cautious on the timing and magnitude of a recovery in rent growth. New supply continues to weigh on leasing conditions in some markets and growth expectations remain subdued relative to other property sectors. The Portfolio's overweight detracted from relative returns.

Fund performance

Past performance is not indicative of future performance and does not predict future returns



Fund returns are US$ based on Class C (accumulation) since August 2016. Performance indicator: FTSE EPRA Nareit Developed NR USD. Source: Morningstar, Nedgroup Investments.

Key return drivers

Month to date

The fund underperformed the Index by 60 basis points for the month ending 31 July 2026.

Contributors	Detractors
• OW Land Securities Group – UK diversified • Nil Iron Mountain – US self-storage • OW SEGRO – UK industrial • Nil Mitsubishi Estate – JP office • OW Sun Hung Kai Properties – HK diversified	• OW Essex Property Trust – US residential • OW Equity Residential – US residential • UW Prologis – US industrial • OW Equinix – US data centres • OW Vornado Realty Trust – US office

OW – Overweight; UW – Underweight; Nil – zero exposure; CA – Canadian, JPN – Japan, HK – Hong Kong.

Portfolio comments

Prologis (PLD) continued its pursuit of Segro (SGRO), submitting a revised "best and final" proposal valuing the company at approximately £18 billion, or 1,027p per share, representing a premium of approximately 38% to the undisturbed share price. In a significant development, SGRO's board indicated it would be "minded to recommend the proposal" and agreed to extend the takeover timetable to 12th August. If completed, the transaction would expand the world's largest listed logistics REIT while providing Prologis with a scaled European platform and exposure to SGRO's substantial data centre pipeline of approximately 3GW. The proposal also highlights the valuation disconnect in the UK listed property market.

Warehouses De Pauw (WDP) and Argan (ARG) announced an all-share merger that will create a €13 billion European logistics platform. The transaction values Argan at approximately €77 per share, representing an 18% premium to its undisturbed share price, and is supported by both boards and major shareholders. Strategically, the combination strengthens WDP's presence across Western Europe and is expected to lower the combined company's cost of capital, enhancing its ability to pursue future development and acquisition opportunities.

In the U.S., Brookfield Asset Management and CPP Investments agreed to acquire LXP Industrial Trust (LXP) in a US$5.2 billion all-cash transaction. The deal values LXP's portfolio at an implied 5.8% cap rate, slightly above Net Asset Value (NAV) estimates, providing a favourable read-through for industrial valuations. The acquisition highlights continued institutional demand for logistics assets and reinforces the valuation gap between listed and private market pricing for certain industrial REITs.

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Portfolio positioning

Sector breakdown	Weight
Healthcare	20.2%
Retail	18.0%
Residential	13.2%
Data Centres	12.4%
Diversified	12.3%
Industrial	10.5%
Self Storage	5.9%
Office	4.6%
Cash	2.4%
Hotel	0.4%
Other	0.0%

Regional breakdown	Weight
US	65.2%
Europe	9.4%
UK	8.7%
Australia & NZ	5.0%
Japan	4.4%
Canada	2.7%
Cash	2.4%
Hong Kong	2.3%
Singapore	0.0%
Other	0.0%

Top Holdings	Sector	Weight
Welltower Inc.	Health Care	8.90%
Equinix, Inc.	Data Centres	7.30%
Federal Realty Investment Trust	Retail	4.70%
Equity Residential	Residential	4.40%
Digital Realty Trust, Inc.	Data Centres	4.30%
Extra Space Storage Inc.	Self-Storage	3.90%
Ventas, Inc.	Health Care	3.80%
Essex Property Trust, Inc.	Residential	3.80%
Unibail-Rodamco-Westfield SE	Retail	3.70%
Prologis, Inc.	Industrial	3.70%
Total		**48.50%**

Portfolio attributes	
Number of Securities	43
Implied Cap Rate	5.5%
Dividend Yield	3.2%
Forward FFO Multiple	21.4x
Net Debt/EBITDA Multiple	5.8x
Portfolio Occupancy	92.0%
Rental Income as a % of EBITDA	91.2%

As at 31st July 2026. Source: Resolution Capital, Nedgroup Investments.

Federal Realty

- Federal Realty Investment Trust (FRT) owns a high-quality approx. US$15bn portfolio of 104 shopping centres and mixed-use properties, including approx. 2,500 residential units, located in affluent and supply-constrained markets such as Washington D.C., San Jose, Boston and Los Angeles.
- The FRT portfolio benefits from strong demographics, with average household income of approximately US$167,000 within a three-mile radius of its properties. Revenue is diversified across retail (80%), office (11%) and residential (9%) assets.
- Highly visible earnings growth runway, supported by record leasing volumes achieved in 2025 and a $400m residential development pipeline expected to generate yields on cost of 6.5%-7.0%. The company is also recycling capital from apartments into dominant shopping centres at an attractive ~200bps spread.
- FRT has one of the strongest track records in the REIT sector, having increased its dividend for 58 consecutive years, with long-term dividend growth averaging approximately 6.5% per annum.
- Despite its defensive, high-quality portfolio, the shares trade at an attractive valuation of approx. 17x FY26 FFO, implying a 5.6% cap rate. We expect approximately 5.5% annual FFO growth between FY26 and FY28, supporting a prospective total return of around 10% per annum.

Performance, contribution data and positioning information as of 31 July 2026. Some differences may exist due to rounding. Source: Resolution Capital, Nedgroup Investments.

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The price of shares may go down or up depending on fluctuations in financial markets outside of the control of the Investment Manager meaning an investor may not get back the amount invested.
Past performance is not indicative of future performance and does not predict future returns.
Risks and fees are outlined in the relevant Sub-Fund supplement.
Prices are published on the Investment Manager's website.

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