

Global Property Fund

► Focused. Transparent. Quality.



March 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 -9.0% for the month ended 31 March 2026. Performance was pressured during the month as conflict in the Middle East led to renewed inflation fears amidst a spike in spot energy prices, leading to a sharp rise in sovereign yields across markets.

The U.S. was the second-best performing market, returning -5.9% in local currency terms. Performance benefited from relative macro stability, underpinned by the country's energy-surplus position. As a result, U.S. inflation expectations were less sensitive to energy price shocks, helping insulate listed REITs from a more pronounced sell-off.

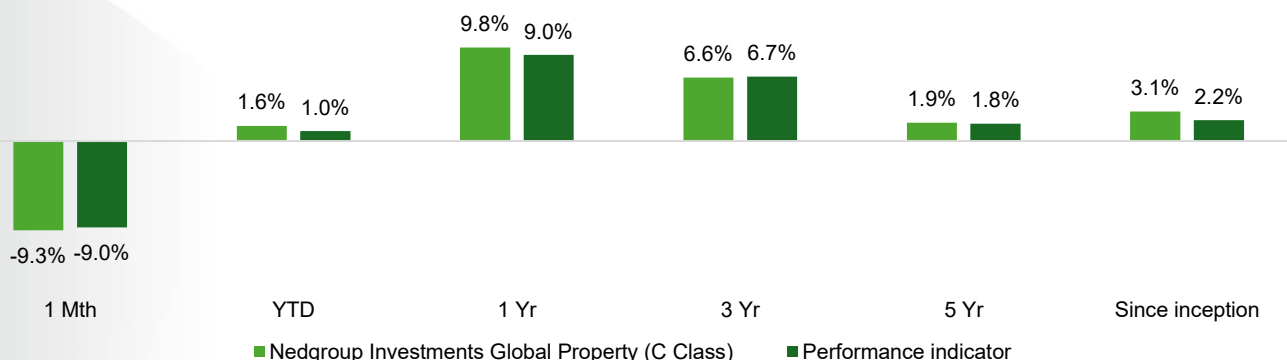
The UK was the worst performing market, returning -16.3% in local currency terms. Performance was weighed down by concerns that higher energy prices would feed through to the broader economy, raising the risk of stagflation. These fears have been exacerbated by a backdrop of persistently weak growth and sticky inflation. Reflecting this uncertainty, the UK 10-year Gilt yield rose by ~55 bps during March.

At a sector level, performance was negative in March with only Data centres generating a modest positive return. Office was amongst the weakest performing sectors, returning -9.6% in local currency terms, pulled down by concerns over valuation and sentiment amid rising bond yields. The uncertain macro backdrop stoked fears of muted leasing momentum and reinforced concerns around capital values and refinancing risk, while higher funding costs remain a headwind for earnings. Potential labor force disruption stemming from AI remains a headwind for the sector. The Portfolio's underweight exposure contributed positively to relative returns.

Data centres was the strongest performing sector, returning 0.3% in local currency terms. Performance was led by the U.S., supported by their perceived insulation from near-term macro volatility. Investor focus remained firmly on structural growth drivers which continue to underpin strong pre-leasing activity and pricing power. The Portfolio's overweight exposure contributed positively to 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. Data as at 31st March 2026.

Performance indicator: FTSE EPRA Nareit Developed NR USD.

Source: Morningstar, Nedgroup Investments.

Key return drivers

Month to date

The fund underperformed the Index by 30 basis points for the month ending 31st March 2026.

| Contributors | Detractors |
|--|---|
| <ul style="list-style-type: none"> OW Federal Realty Investment Trust – US retail REIT OW Equinix – US data centre REIT Exposure to Cash Nil Vonovia – EU residential Nil Mitsubishi Estate – JPN office | <ul style="list-style-type: none"> OW SEGRO – UK industrial REIT OW TAG Immobilien – EU residential OW Big Yellow Group – UK self-storage REIT OW Mitsui Fudosan – JPN diversified OW Sumitomo Realty & Development – JPN diversified |

OW – Overweight; UW – Underweight; Nil – zero exposure; HK - Hong Kong, JPN – Japanese, EU – European, UK – United Kingdom

Portfolio comments

Janus Living (JAN) completed its IPO in March as a pure-play U.S. seniors housing REIT carved out of Healthpeak Properties (DOC), raising ~US\$950m at \$20/sh and valuing the company at ~\$5bn. The portfolio comprises 39 seniors housing communities (~11k units) concentrated in Sun Belt markets and is structured to provide direct exposure to underlying property economics. The Portfolio participated in the offering where valuation appeared attractive relative to listed peers. We estimate mid-teens earnings growth through 2030, supported by strong internal growth and accretive investment opportunities.

Public Storage (PSA) announced the acquisition of National Storage Affiliates (NSA) in a ~US\$10.5bn all stock transaction, implying a ~35% premium and low to-mid-5% entry cap rate. The acquisition structure is notable, with PSA retaining full ownership of higher quality assets while placing lower-quality properties into a leveraged JV to preserve tax deferral for legacy partnership unitholders.

In Spain, Merlin Properties (MRL) reaffirmed its commitment to scaling its data centre platform, confirming phase III will commence in 2026, adding 412 MW of capacity at a total cost of €4.5bn and stabilising in 2032. Funding will follow a disciplined 50/50 equity/debt mix while maintaining leverage below 35% LTV. Following its Capital Markets Day, Merlin completed a €768m equity raise, issuing ~10% new shares with proceeds earmarked to fund phase III. The Portfolio participated in the equity raise.

In March, it was reported that Access Self-Storage has agreed to sell its 59-store UK self-storage portfolio to Singaporean CapitaLand Investment (9CI.SI) for more than £1bn, concluding a sales process launched in late 2024. While full details are limited and the deal is not formally complete, implied pricing suggests a sub-5% cap rate and valuation north of £300/sf, evidence that institutional appetite for UK self-storage remains strong.

Portfolio positioning

| Sector breakdown | Weight |
|------------------|--------|
| Retail | 20.4% |
| Healthcare | 20.0% |
| Diversified | 14.2% |
| Data Centres | 13.0% |
| Industrial | 11.4% |
| Residential | 8.2% |
| Self Storage | 5.8% |
| Cash | 3.8% |
| Office | 2.7% |
| Hotel | 0.6% |

| Regional breakdown | Weight |
|--------------------|--------|
| US | 59.8% |
| Hong Kong | 4.8% |
| Europe | 9.8% |
| Japan | 5.1% |
| UK | 7.8% |
| Cash | 3.8% |
| Canada | 2.9% |
| Australia & NZ | 5.2% |
| Singapore | 0.6% |

| Top Holdings | Sector | Weight |
|------------------------------|--------------|---------------|
| Welltower Inc | Healthcare | 9.4% |
| Equinix Inc | Data Centres | 8.3% |
| Federal Realty | Retail | 5.1% |
| Simon Property Group Inc | Retail | 4.8% |
| Digital Realty | Data Centres | 4.7% |
| Ventas, Inc. | Healthcare | 4.4% |
| Sun Hung Kai Properties | Diversified | 4.1% |
| Unibail-Rodamco-Westfield | Retail | 4.0% |
| Prologis, Inc. | Industrial | 4.0% |
| Healthcare Realty Trust Inc. | Healthcare | 3.1% |
| Total | | 51.90% |

| Portfolio attributes | |
|--------------------------------|-------|
| Number of Securities | 45 |
| Implied Cap Rate | 5.9% |
| Portfolio Occupancy | 92.2% |
| Dividend Yield | 3.6% |
| Forward FFO Multiple | 19.1x |
| Net Debt/EBITDA Multiple | 5.9x |
| Rental Income as a % of EBITDA | 90.0% |

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

Stock spotlight: Equinix Inc

- Equinix owns a unique global network of data centres that sit at the centre of the digital economy. It operates 280 IBX data centres across 77 major markets, providing locations where companies, networks, and cloud providers connect directly to one another. With more than 507,000 interconnections and over 10,500 customers, these facilities function as private digital exchange hubs rather than simple server storage sites.
- Demand for Equinix is driven by the growing need for fast, reliable, low latency connectivity. This includes cloud migration, hybrid IT, multi cloud networking, and AI inference workloads, all of which are highly sensitive to speed and location. While hyperscalers continue to build very large data centres for AI training, everyday AI use, data exchange, and multi cloud connectivity rely on dense interconnection. This reinforces Equinix's carrier neutral retail colocation model, supported by the largest concentration of direct cloud connections globally.
- The business model is highly resilient. Revenues are underpinned by multi year contracts, high renewal rates, and strong pricing power. Around 20% of revenue comes from interconnections, which generate outsized margins due to minimal incremental capital requirements. Supply constraints in major global cities, including limited power availability and permitting, further protect Equinix's position.
- Equinix trades at a premium valuation, implying a roughly 6.2% cap rate on 2027 NOI. This is supported by strong visibility and an expected ~10% annual AFFO per share growth over the next three years, underpinned by contracted backlog, rising cabinet density, and constrained supply.

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

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Disclaimer

This is a marketing communication. Please refer to the prospectus, the key investor information documents (the **KIIDs/PRIIPS KIDs**) and the financial statements of Nedgroup Investments Funds plc (the **Fund**) before making any final investment decisions.

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The sub-funds of the Fund (the **Sub-Funds**) are generally medium to long-term investments and the Investment Manager does not guarantee the performance of an investor's investment and even if forecasts about the expected future performance are included the investor will carry the investment and market risk, which includes the possibility of losing capital.

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.

Distribution: The prospectus, the supplements, the KIIDs/PRIIPS KIDS, constitution, country specific appendix as well as the annual and semi-annual reports may be obtained free of charge in English for the prospectus and in English together with the relevant local languages for the KIIDs/KIDs from the country representative, the Investment Manager, or at www.nedgroupinvestments.com. The Investment Manager may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with Art 93a of Directive 2009/65/EC and Art 32a of Directive 2011/61/EU.

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